

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6654-07
Bill No.: HCS for SS No. 2 for SCS for SB 1050
Subject: Transportation; Motor Vehicles
Type: Original
Date: May 2, 2018

Bill Summary: This proposal modifies provisions relating to transportation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2019	FY 2020	FY 2021	Fully Implemented (FY 2022)
General Revenue	(Could exceed \$113,212)	(Could exceed \$1,000,000)	(Could exceed \$1,000,000)	(Could exceed \$1,000,000)
Total Estimated Net Effect on General Revenue	(Could exceed \$113,212)	(Could exceed \$1,000,000)	(Could exceed \$1,000,000)	(Could exceed \$1,000,000)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 43 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2019	FY 2020	FY 2021	Fully Implemented (FY 2022)
Chemical Emergency Preparedness Fund	\$720,833	\$860,000	\$860,000	\$860,000
Emergency Bridge Repair and Replacement Fund	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
Highway Fund	(Minimal)	(Minimal)	(Minimal)	(Minimal)
Missouri State Water Patrol	\$0	\$1,000,000	\$1,000,000	\$1,000,000
Petroleum Storage Tank Insurance Fund	\$0	\$0	\$5,750,000	\$11,500,000
State Road Fund	Unknown	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Could exceed \$720,833	Could exceed \$1,860,000	Could exceed \$7,610,000	Could exceed \$13,360,000

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2019	FY 2020	FY 2021	Fully Implemented (FY 2022)
Federal Motor Carrier Assistance Program Funds	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)
Total Estimated Net Effect on All Federal Funds	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2019	FY 2020	FY 2021	Fully Implemented (FY 2022)
Total Estimated Net Effect on FTE	0	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2019	FY 2020	FY 2021	Fully Implemented (FY 2022)
Local Government	(Minimal) or Unknown	(Minimal) or Unknown	(Minimal) or Unknown	(Minimal) or Unknown

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

§21.795

Officials from the **Department of Transportation (MoDOT)** assume the proposal will have a potential unknown positive impact less than \$100,000 per year on the Department. This proposal removes the statutory description of the report in section 21.795.2(1) RSMo. The proposal would instead require MoDOT to present copies of the Citizen's Guide to Transportation Funding in Missouri, the Financial Snapshot, and MoDOT Results: Accountability. Innovation. Efficiency.

Oversight will reflect a fiscal impact of "Less than \$100,000" to the State Road Fund for the savings MoDOT will incur from removing the required pieces of the report in statute and instead submitting a copy of the reports MoDOT has already been publishing.

§68.075

Oversight notes that the term "related facility" has been added to the definitions listed under the "Advanced Industrial Manufacturing Zones Act." Oversight assumes there will be no fiscal impact from this change.

§§71.012 and 71.015

Oversight notes this section changes the law regarding annexation procedures. Oversight assumes there will be no fiscal impact from this section of the proposal.

§§105.1073, 303.020, 303.022, 303.030, 303.120, 303.190, 303.240, 379.110 and 379.118

Officials at the **Department of Revenue** assume the following regarding this proposal:

ASSUMPTION (continued)

§105.1073

Increases insurance liability coverage on government vehicles to \$25,000 for injury or destruction of property due to any one accident.

§303.020

Changes the definition of "Proof of financial responsibility" to reflect the increase of liability limits for destruction of property from \$10,000 to \$25,000.

§303.022

The proposed language allows coverage issued or renewed prior to July 1, 2019, under the current limits of liability to be acceptable proof for the remainder of the term of that policy.

§303.030

Increases the minimum liability insurance coverage required for property damage from \$10,000 to \$25,000 when a Power of Attorney is executed on behalf of an insurance company that is not authorized to write insurance policies in the state of Missouri.

§303.120

Increases the amount deemed to satisfy a court judgment rendered against an uninsured motorist for damages caused in a motor vehicle accident.

§303.190

Increases the minimum liability insurance coverage required for destruction of property caused in a motor vehicle accident.

§303.240

Increases the amount of a cash or other securities that may be deposited as proof of financial responsibility from \$60,000 to \$75,000.

§379.110

Adds a definition for the "Reduction in Coverage" and removes language regarding "renew" or "to renew" issuance and delivery of a policy.

§379.118

Requires the insurer to provide notification of the reduction in coverage no less than fifteen days prior to the effective date of the proposed reduction.

ASSUMPTION (continued)

Administrative Impact

The proposed legislation will result in changes to the accident processing area and self-insurance program by increasing the amount of security that will be required for an uninsured motorist accident and self-insurance certificates. This will also result in existing self-insured individuals being required to deposit additional securities in order to be compliant with the new limits of liability provision of \$75,000.

To implement the proposed changes, the Department will be required to:

- Update procedures, forms, the Department website;
- Update the Missouri Driver's Guide;
- Create a notification to self-insured entities and Insurance Powers of Attorney; and
- Train staff.

FY 2019 - Driver License Bureau

Management Analysis Spec II	80 hrs. @ \$20.57 per hr.	= \$1,646
Revenue Manager Band I	40 hrs. @ \$25.05 per hr.	= \$1,002
Total		= \$2,648

FY 2019 - Personnel Services Bureau

Administrative Analyst III	20 hrs. @ \$19.43 per hr.	= \$ 389
Management Analysis Spec I	40 hrs. @ \$18.42 per hr.	= \$ 737
Total		= \$1,126

Total Cost = \$3,774

The Department assumes it will be able to absorb the above listed costs. If multiple bills pass which require Department resources and updates, the Department could request additional FTE and related equipment and expenses through the appropriation process.

In response to a similar proposal from 2018 (Perfecting SB 708), officials from the **Department of Insurance, Financial Institutions and Professional Registration, Department of Transportation, Office of Administration - General Services, Department of Public Safety - Missouri Highway Patrol and Office of the State Treasurer** each assumed the proposal would have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

§§108.120 and 137.555

In response to a similar proposal from 2018 (SB 956), officials at the **City of Liberty** stated while it is difficult to calculate the amount of fiscal impact to the City, by modifying the road district levy capacity of Clay County, it would allow for additional road infrastructure support to local cities and road districts. As the cities grow in Clay County and the increased amount of incorporated area that they must support, there is a greater monetary demand placed on the cities. At the same time, the requirements for Clay County decreases. This legislation would assist in needed support.

In response to a similar proposal from 2018 (SB 956), officials at the **Callaway County Commission** assumed this legislation could have a positive fiscal impact on their County.

Officials at the **Missouri Department of Transportation (MoDOT)** assume no fiscal impact from this proposal.

Officials from the **City of Kansas City** assume the provisions in Section 137.555 may have a positive fiscal impact.

In response to a similar proposal from 2018 (SB 956), officials at **Boone County** assumed no fiscal impact from this proposal.

Oversight assumes from this proposal that allowing other political subdivisions to contract with counties and share in the proceeds from bonds to modify the transportation infrastructure of the local political subdivisions would have an unknown positive fiscal impact. Therefore, Oversight will reflect a \$0 (if no contract) or a positive unknown (if there is a contract) fiscal impact for this proposal.

§162.064

In response to a similar proposal from 2018 (Perfectured HB 1675), officials from the **Department of Elementary and Secondary Education** and **Department of Transportation** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to a similar proposal from 2018 (Perfectured HB 1675), officials from the **Office of the Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act.

ASSUMPTION (continued)

The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

In response to a similar proposal from 2018 (Perfecting HB 1675), officials from the **Joint Committee on Administrative Rules** stated that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

§226.228

Officials from the **Department of Transportation (MoDOT)** assume this fiscal impact of this proposal is unquantifiable at this time; however, this proposal will create a potential revenue stream at the discretion of the General Assembly.

In response to a similar proposal from 2018 (HCS for HB 2153), officials from the **Office of Administration - Budget and Planning** assumed this proposal would impact General Revenue (GR) expenditures to the extent the General Assembly appropriates existing GR monies to the fund.

Officials from the **Office of the State Treasurer** and **Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight will reflect the fiscal impact as \$0 (no General Revenue monies appropriated to the new fund) or an "Unknown" (unknown amount of General Revenue monies appropriated) to the Missouri Emergency Bridge Repair and Replacement Fund.

ASSUMPTION (continued)

§§226.770 and 226.780

Oversight notes these sections allows state funds to be expended on recreational and rest areas to ensure compliance with certain federal regulations. Oversight assumes there will be no fiscal impact from this section of the proposal.

§227.240

Officials from the **Department of Transportation** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal from 2018 (SCS for SB 598), officials from the **Department of Economic Development - Public Service Commission, Department of Economic Development - Office of Public Counsel** and **Department of Economic Development - Division of Energy** each assumed the proposal would have no fiscal impact on their respective organizations.

§§227.537, 227.538, 227.539, 227.540, 227.541, 227.542, 227.544, 227.545 and 227.546

Officials from the **Department of Transportation** assume the proposal will have no fiscal impact on their organization.

§263.245

Officials at the **Missouri Department of Transportation, Department of Agriculture, Department of Public Safety's - Office of the Director, Office of Prosecution Services** and **State Tax Commission** each assume no fiscal impact to their respective agencies from this proposal.

In response to a similar proposal from 2018 (HB 1646), officials at the **Platte County Board of Election Commissioners** and **Chariton County** each assumed no fiscal impact to their respective entities from this proposal.

In response to a similar proposal from 2108 (SB 657), officials at **Linn County** assumed a positive impact from this proposal. Linn County could not ascertain an amount for this proposal but this proposal would make it easier to collect the brush removal expense.

ASSUMPTION (continued)

In response to a similar proposal from 2108 (SB 657), officials at **Daviess County** assumed no fiscal impact from this proposal.

Oversight assumes this proposal would allow for easier collection of a special tax because expenses charged against a tract of land by the county will be due on the landowner's real and personal property tax assessments. Oversight also assumes this proposal would have no local fiscal impact without action by the governing body and approval by the majority of voters. Therefore, Oversight will show no direct fiscal impact for this proposal.

§292.606

In response to a similar proposal from 2018 (SB 626), officials from the **Department of Public Safety - State Emergency Management Agency (SEMA)** stated this proposal is the continuation of previously passed legislation that funds programs at the local and state levels for the prevention, planning and response to hazardous material (HAZMAT) incidents. Funding collected from HAZMAT facility Tier II fees provides training and resources for first responders as well as local emergency response officials working as part of a Local Emergency Planning Committee (LEPC). Below is a more detailed description of the program.

The Missouri Emergency Response Commission (MERC) was first established in 1987 by Executive Order of the Governor and was later established under statute in 1988 and revised in 1992. The commission resides under the Missouri Department of Public Safety (SEMA).

Businesses and facilities are required to annually submit Tier II forms under Section 312 of the federal Emergency Planning and Community Right-To-Know Act of 1986 (EPCRA). The purpose of this form is to provide State, local officials, and the public with specific information on potential hazards. This includes the locations, as well as the amount, of hazardous chemicals present at a facility during the previous calendar year.

Funds are received by MERC, processed and reallocated back to the local jurisdiction. Ten percent (10%) is allocated to the State Fire Marshall's office to be utilized for HAZMAT training of local responders. Sixty-five percent (65%) is returned to the counties, and twenty-five percent (25%) is retained by the MERC for administrative fees, LEPC planning and training on a state-wide level.

ASSUMPTION (continued)

The state fund is a restricted revenue account used to carry out the purposes, goals and objectives of SARA Title III and the MERC hazardous material safety program. It consists of several different fee structures with those being as low as \$50 for a retail petroleum facility to \$100 per chemical to a maximum of \$10,000 per company. There is also a fee requirement for pipeline companies of \$250 per county that they travel.

Division 10, Chapter 11 of the Rules of Public Safety title 11 CSR 10-11.210 established a statewide hazardous materials safety program, created the Missouri Emergency Response Commission (MERC) and provided for the creation of Hazardous Materials Emergency Response accounts in each county. It also created a supplemental emergency preparedness funding base for chemical emergency preparedness at the county and state levels based upon the fees collected from facilities.

These fees enable the LEPC to prepare offsite response plans, acquire response team equipment, develop public "Right-to-Know" education programs, conduct chemical industry awareness and compliance programs, and conduct relevant training, drills and exercises.

In response to a similar proposal from 2018 (SB 626), officials from the **Department of Public Safety - Division of Fire Safety** stated this proposed legislation extends the sunset of the hazardous waste fees paid to the Missouri Emergency Response Commission and deposits those monies into the Chemical Emergency Preparedness Fund. By statute, the Missouri Division of Fire Safety is appropriated 10% of the fees collected, up to \$100,000 annually. Those fees average \$80,000.

The Division of Fire Safety uses this appropriation to contract with various fire fighter training partners to provide hazardous materials training each year. In FY16, the Division of Fire Safety expended \$81,000 to provide 31 hazardous materials related classes to 1,281 fire fighters across the state. In FY17 the Division of Fire Safety expended \$81,693 to provide 33 hazardous materials related classes to 1,253 fire fighters across the state. In FY18, the Division of Fire Safety has contracted with two training partners for a total of \$79,642 to provide hazardous materials training to the fire fighters of our state. It is projected similar course and student enrollment numbers will result.

In response to a similar proposal from 2018 (SB 626), officials from the **Department of Natural Resources** assumed the proposal would not fiscally impact their organization.

ASSUMPTION (continued)

Officials from the **Department of Transportation** assume the proposal will have no fiscal impact on their organization.

Oversight notes that Section 292.604, RSMo states that “fees collected by the commission under Section 292.606 shall be placed in the chemical emergency preparedness fund.” According to the Fiscal Year End Fund Activity report from the Office of the State Treasurer, the receipts into the Chemical Emergency Preparedness Fund (0587) for the last three fiscal years have been:

FY 2017	\$891,355
FY 2016	\$879,050; and
FY 2015	\$823,746

Therefore, Oversight will assume an average annual collection of \$865,000 into the fund. The current statutes state the fees shall be collected “for a period of six years from August 28, 2012.” Therefore, authority to collect the fees ends on August 28, 2018. The new language states that the fee shall be collected “for a period of six year from August 28, 2018.”

Oversight will reflect 10 months of fee collections in FY 2019 (August 28, 2018 - June 30, 2019) and a full year of fees in FY 2020 and FY 2021.

As stated by DPS-SEMA, these funds are distributed to various state and local governmental agencies. For simplicity in the fiscal note, Oversight will only show the continuation of the funding into the state fund and not the annual distributions.

§300.295

Officials from the **Department of Transportation** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal from 2018 (HB 2181), officials from the **Department of Public Safety - Missouri Highway Patrol** assumed the proposal would have no fiscal impact on their organization.

§§301.010, 301.020, 301.055, 301.130, 301.350, 302.170, 302.173, 302.174, 302.272, 302.720, 304.005, and Section C

Officials at the **Department of Revenue (DOR)** assume the following regarding this proposal:

ASSUMPTION (continued)

§301.010

Defines an "autocycle" as "a three-wheeled motor vehicle which the drivers and passengers ride in a partially or completely enclosed non-straddle seating area, that is designed to be controlled with a steering wheel and pedals, and that has met applicable Department of Transportation National Highway Traffic Safety Administration requirements or Federal Motorcycle Safety Standards."

Redefines a "motortricycle" by adding "...upon which the operator straddles or sits astride that is designed to be controlled by handle bars..."

§301.020

Exempts autocycles as a type of vehicle for which the Department would be required to maintain odometer information.

§301.055

Creates an autocycle registration fee of \$10.00.

Provides that the registration of an autocycle registered as a motorcycle or motortricycle prior to August 28, 2018 shall remain until the expiration, at which time the owner will be required to renew the item as an autocycle.

§301.130

Requires autocycles to be registered and issued one license plate to be displayed on the rear of the vehicle, either horizontally or vertically.

§301.350

Creates a category for autocycles in the current motor vehicle record keeping provisions.

§302.170.3(5)

Allows the Department to retain documents submitted by a commercial driver's license applicant who is active duty or retired military if the documents allow for waiver of the commercial driver's license knowledge test, skills test, or both.

§302.173.4

Allows individuals who have completed an approved Missouri Motorcycle Rider Training Course (MRTC) to obtain a motorcycle or motortricycle license or endorsement without the requirement of the practical knowledge or driving test for one year from the date of course completion.

ASSUMPTION (continued)

§302.173.5

Allows individuals who have completed an approved military motorcycle rider training course to obtain a motorcycle or motortricycle license or endorsement without the requirement of the practical knowledge or driving test for one year from the date of course completion.

§302.174

Replaces the phrase and definition of "hearing-impaired" with the phrase and definition for "hard of hearing person".

Changes the notation on a driver license from "J88" to "DHH".

Allows the Department to use the phrase "deaf or hard of hearing" in lieu of the notation "DHH" on a driver's license.

§302.272.1(3)

Requires bus drivers who are at least seventy years of age to complete an examination, excluding the pre-trip inspection portion of the commercial driver's license skills test, annually to retain the school bus endorsement.

§302.720.2(5)

Allows the Department to waive the knowledge and driving skills tests for any qualified military applicant for a commercial driver's license who is currently licensed at the time of application for a commercial driver's license.

§302.720.2(5)(f)

Extends the time-frame from ninety days to one year for the applicant to comply with the provisions of eligibility that requires the individual to certify that they have been employed in a qualifying military position.

§302.720.2(5)(j)

Allows an exception to allow waiver of the commercial driver license knowledge and skills test, upon submission and retention of proof of completion of an approved military course.

§304.005

Specifies that persons riding or operating an autocycle are not required to wear protective headgear.

ASSUMPTION (continued)

Section C

Provisions for §§105.1073, 303.020, 303.030, 303.120, 303.190, and 303.240 shall become effective July 1, 2019.

Administrative Impact

The Department will be required to create new registration license plate category codes for the kind of vehicle (KOV) of "autocycle" which includes stock, stock personalized, and stock disabled license plates.

To implement the proposed changes, the Department will be required to:

- Update procedures, motor vehicle fee charts, correspondence letters, and the Department website;
 - Update the Application for Missouri Title and License (DOR-108);
 - Update the Application for Motor Vehicle License (DOR-184);
 - Update the Application for Missouri Military Personalized License Plates (DOR-4601);
 - Update the Application for Missouri Personalized and Special License Plates (DOR-1716);
 - Develop plate type codes;
 - Complete programming and user acceptance testing;
 - Work with MSHP to modify the Missouri driver guide to include the new definition of autocycle and information exempting operators or passengers of autocycles from wearing protective headgear (online and printed versions);
 - Work with MSHP to modify the motorcycle manual to include the information exempting operators or passengers of autocycles from wearing protective headgear;
 - Submit request to the license vendor for modification to the current design and printing process for driver license, nondriver license, and permit documents to update the driver license notation to "DHH";
 - Complete testing with factory print facility for the updated notation for card printing;
 - Update the current rule 12 CSR 10-24.470;
 - Update the Uniform License Issuance Manual;
 - Update the Missouri Driver Guide;
 - Update the Commercial Driver License Manual;
 - Update the Motorcycle Operator Guide;
 - Update the Military Skills Test Waiver Application (DOR-5140);
 - Update procedures and the Department website;
 - Update the Missouri Electronic Driver License system to allow imaging of documents;
- and

ASSUMPTION (continued)

Administrative Impact (continued)

- Train Staff.

FY 2019 - Motor Vehicle Bureau

Management Analysis Spec I 530 hrs. @ \$18.42 per hr. = \$ 9,763

FY 2019 - Driver License Bureau

Administrative Analyst II 400 hrs. @ \$17.13 per hr. = \$ 6,852

Management Analysis Spec II 550 hrs. @ \$20.57 per hr. = \$11,314

Revenue Manager Band I 190 hrs. @ \$25.05 per hr. = \$ 4,760

Total = \$22,926

FY 2019 - Personnel Services Bureau

Administrative Analyst III 120 hrs. @ \$19.43 per hr. = \$ 2,332

Management Analysis Spec I 150 hrs. @ \$18.42 per hr. = \$ 2,763

Total = \$ 5,095

Total Cost **\$37,784**

Vendor Costs

Estimated license vendor cost to modify card design and to update the driver license notation is **\$28,000**.

OA-ITSD services will be required at a cost of **\$85,212** (1,136.16 hours x \$75 per hour) in FY 2019.

In summary, DOR assumes a cost of **\$149,868** (\$36,656 + \$28,000 + \$85,212) in FY 2019.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb some of the costs related to this proposal; therefore, Oversight will reflect a fiscal impact of \$113,212 for IT services and vendor costs in FY 2019.

ASSUMPTION (continued)

Revenue Impact

DOR notes there are approximately 148 military waiver applicants annually. The knowledge test fee is \$25. This proposal waives that fee, which will result in a loss of approximately \$3,700 per year. The loss of \$3,700 is distributed to the Highway Fund, Cities and Counties.

Oversight notes this will have a minimal impact on the Highway Fund, cities and counties as the revenue loss is not substantial.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume Section 302.272 will have no fiscal impact on their organization. DESE assumes that school districts may have a possible savings. DESE defers to school districts for impact.

In response to a similar proposal from 2018 (Perfected HB 1676), officials at the **Summersville R2 School District** assumed there could be an impact.

In response to a similar proposal from 2018 (Perfected HB 1676), officials from the **West Plains School District** assumed the proposal would have no fiscal impact on their organization

Oversight notes this proposal clarifies in §302.272.1(3) the "commercial driver license skills test" as not including the pre-trip inspection portion. Oversight notes that there are 3 parts to the commercial driver license test including the pre-trip inspection, basic vehicle control and on-road driving. .

In response to a previous version, officials from the **Department of Health and Senior Services** assumed changing the current legislation to no longer require individuals operating or riding in autocycles to wear protective headgear will increase the number of individuals incurring a traumatic brain injury, resulting in an increase in participants requesting services through the following programs: Adult Brain Injury (ABI), Children and Youth with Special Health Care Needs (CYSHCN), Healthy Children and Youth (HCY), and Medically Fragile Adult Waiver (MFAW).

The ABI program serves participants age 21 through 64 and the average annual cost per participant is \$3,737. Both the CYSHCN and HCY programs serve participants under the age of 21, with the average annual cost of \$730.05 per CYSHCN participant and \$24,970.82 per HCY participant. The MFAW program serves individuals 21 and older with an annual cost per participant of \$99,448.46. Also both HCY and MFAW are partially federally funded at 65.203 percent federal and 34.797 percent state Medicaid match (FY 2019 FMAP rate).

ASSUMPTION (continued)

While the cost per participant is known, the lack of data specific to autocycle crash injuries and the use of protective headgear while operating or riding in an autocycle is unknown, resulting in an unknown negative fiscal impact to these Division of Community and Public Health programs.

In response to a previous version, officials from the **Department of Mental Health** assumed Section 301.010 is amended to add the definition of an "autocycle". The term "autocycle" is defined in the proposed legislation as a three-wheeled motor vehicle which the drivers and passengers ride in a partially or completely enclosed nonstraddle seating area, that is designed to be controlled with a steering wheel and pedals.

Section 304.005 would allow that a person operating or riding in an autocycle shall not be required to wear protective headgear.

Currently, the Division of Developmental Disability (DD) waiver programs eligibility requirements mandate that a diagnosis of developmental disability be assigned prior to the age of 22 for inclusion into a waiver program, except for an intellectual disability, which must be assigned prior to the age of 18.

This proposal would allow for expansion of the number of eligible DD Medicaid Waiver participants, in that riders 16 to 21 years of age could sustain a traumatic brain injury (TBI) while operating or riding in an autocycle without protective headgear, thereby potentially qualifying them for DD waiver services.

DD estimates an average cost per day of \$380 (\$138,700 / yr.) for residential services. Utilizing the methodology below, it is estimated that an increased cost of \$1,254,838 per year could occur.

This estimate could also rise and fall based on the federal FMAP for DMH Medicaid waiver services.

Data from the Missouri State Highway Patrol, United States Census Bureau, Centers for Disease Control, and fiscal data from the Division of Developmental Disabilities were utilized to arrive at an estimated fiscal impact.

For this analysis, the DMH assumes riders sixteen to twenty one years of age may elect to not wear protective headgear given Section 304.005.2's language.

ASSUMPTION (continued)

Data from the Missouri State Highway Patrol includes three wheel vehicles but not mopeds or all-terrain vehicles (ATVs). It appears the statistics used do include three wheel vehicles and therefore, it is assumed autocycle is included in this data.

Crash Rates

The Missouri State Highway Patrol reports 1,683 personal injury motorcycle crashes in 2005, injuring 1,978 people. By 2012, those figures had risen to 2,065 and 2,404 respectively (Missouri State Highway Patrol, 2014).

The State's eight-year average for motorcycle crashes between 2005 and 2012 is 1,854 and 2,165 for persons injured (Missouri State Highway Patrol, 2014). In 2011 and 2012, the number of crashes increased 9% over each preceding year.

Based on available data, projections indicate Missouri will have experienced an average of 2,148 motorcycle crash injuries per year between 2016 and 2020.

State Demographics

The United States Census Bureau estimates that in 2016 the percentage of persons aged 16 to 21 years old residing in Missouri comprised 7.9% of the total state population, or 481,254 persons out of 6,093,000 (US Census Bureau, release date June 2017).

Head Injury Rate of Occurrence

The Centers for Disease Control reports an incidence rate for head injury requiring hospitalization of 81.2 per 100,000 people aged 16 to 22 (Centers for Disease Control, 2014). Comparing this data to the census data previously discussed yields an estimate of 391 persons aged 16 to 21 per year in Missouri who will experience a head injury requiring hospitalization (persons aged 16 to 21 in MO / CDC unit of measurement x CDC incidence rate).

DD Community Placements & Cost Estimate

In 2017, the Division of DD admitted 66 individuals with head injuries.

DD estimates an average cost per day of \$380 (\$138,700/yr.) for residential services. The state share of this cost in FY 2019 is \$48,263 (\$138,700 x 34.797% state share = \$48,263).

Estimated Annual Fiscal Impact-

Assuming a 15% rate of TBI incidence due to autocycle crashes for each year between 2018 and 2022 for individuals aged 16 to 21 in Missouri, a total of 130 additional individuals or 26 people per year could become eligible for DD waiver services.

ASSUMPTION (continued)

Utilizing the Division of DD's cost estimates for FY 2019, this represents an annual increased cost to the DMH of \$1,254,838 of general revenue per year ($\$48,263 \times 26 = \$1,254,838$).

In response to a previous version, officials from the **Department of Social Services** assumed there are two categories of individuals who could sustain severe traumatic brain injuries (TBI) which could result in increased MO HealthNet expenditures.

- 1) Individuals who are privately insured at the time of the accident, but sustain severe TBI and are unable to meet the higher premiums charged by private health insurance plans or are forced to spend down resources and become eligible for Medicaid because of their disability.
- 2) Individuals who are Medicaid recipients at the time of the accident and sustain severe TBI.

There is currently little information on the utilization of autocycles. In order to estimate the number of individuals who are Medicaid recipients at the time of an autocycle accident that also sustain TBI, Missouri Healthnet Division (MHD) used information provided by the Missouri State Highway Patrol on non-fatal motorcycle accidents.

The Missouri State Highway Patrol reported 1,979 non-fatal injured persons resulting from motorcycle crashes in 2014.

For the purposes of this fiscal note MHD assumes 14% of the 1,979 are related to persons on autocycles or 277 injured persons. MHD assumes 95% of the injured persons were age 18 or older ($99 \times 95\% = 94$) and all individuals were meeting the current state law requiring helmet use. Based on crash statistics from the National Highway Transportation and Safety Administration, 4.7% of helmeted motorcyclists involved in a crash suffered from severe TBI whereas 7.3% of unhelmeted motorcyclists suffered from severe TBI. Therefore, MHD assumes 6.8 persons sustained severe TBI injuries in 2014 (most current data available) as a result of crashes while wearing helmets and riding autocycles.

The number of autocyclists is assumed to be a much lower percentage of the driving population than motorcyclists. Without specific information on autocyclists, MHD assumes the number of autocyclists is 14% of the number of motorcyclists. Therefore, it is estimated that 6.8 individuals will sustain severe TBI as a result of autocycle accidents with no helmets.

- 1) MHD assumes that of these 6.8 individuals, 30% will ultimately spend down their resources and qualify for Medicaid, and will be classified as totally and permanently disabled (PTD). MHD assumes that some individuals would qualify more quickly than others. MHD assumes that of those individuals with new TBIs, 15% would qualify within the first year, 22.5% would qualify within the second year, and 30% would ultimately qualify within three years.

ASSUMPTION (continued)

Based on these assumptions, MHD assumes 1 new permanently and totally disabled (PTD) person in FY 2019, 2.6 in FY 2020, and 4.6 in FY 2021. In addition, MHD assumes that TBIs will be life-long injuries; therefore, the number of individuals being served under Medicaid will continue to compound.

2) MHD further assumes that of the 6.8 individuals annually sustaining severe TBI as a result of autocycle TBI, 8.54% (based on current Medicaid recipients ages 18-64 divided by the general Missouri population ages 18-64) will be Medicaid recipients at the time of the accident, or .6 individuals.

Based on a 2013 report issued by the Arkansas Spinal Cord Commission, the average acute care Medicaid costs for TBI was \$15,783 (average from 2007-2012). This initial cost was inflated by a three year average Hospital Market Basket Trend from SFY 2010 through SFY 2017. Therefore, the initial hospitalization cost is estimated to be \$20,182 per person in FY 2019.

The one-time acute care costs are in addition to the annual cost to care for a person with TBI.

The average cost for a custodial parent (based on FY 2017 expenditures) is \$5,732. MHD assumes annual expenditures will increase to the PTD level for an annual increase of \$10,047 per person sustaining a TBI. This amount is trended annually by 3.8%. MHD estimates the annual costs for caring for an individual with TBI will be \$2,009 ($\$10,047 * .2$ individuals each year).

The total annual cost for individuals who are Medicaid recipients at the time of the accident is \$6,045 ($\$4,036 + \$2,009$). MHD assumes that TBIs will be life-long injuries; therefore, the number of individuals being served under Medicaid will continue to compound.

Officials from the **Department of Transportation** assume the proposal will have no fiscal impact on their organization.

Officials at the **Office of the State Courts Administrator** assume the fiscal impact of this proposal is unknown. There may be some impact but there is no way to quantify the impact at this time. Any significant changes will be reflected in future budget requests.

In response to a previous version, officials from the **Department of Public Safety - Missouri Highway Patrol** assumed the proposal would have no fiscal impact on their organization.

ASSUMPTION (continued)

Oversight assumes some people 18 and over could choose not to wear protective headgear as a result of this proposal. Accordingly, there may be an increase in injuries or the severity of injuries to autocyclists not wearing protective headgear which may **indirectly** result in increased costs to the state. Oversight assumes no **direct** fiscal impact to state and local governments from the protective headgear exemption.

Oversight also assumes the Department of Health and Senior Services and the Department of Mental Health will request increased appropriations depending on the actual increases in TBI paid for by the state.

§304.060

Oversight notes this section allows school boards in urban districts with greater than 300,000 inhabitants the option to contract with other agencies for additional transportation services to transport high school students.

Officials from the **Department of Elementary and Secondary Education** assume the proposal will have no fiscal impact on their organization.

§304.153

In response to a similar proposal from 2018 (HCS for HB 2496), officials at the **Department of Transportation (MoDOT)** assumed this proposal would require MoDOT to establish a towing task force that would cap charges for non-consensual tows, create administrative rules, provide a process for consumers to recover overcharges, and add the ability to remove towers from the tow list maintained currently by Missouri State Highway Patrol (MHP).

While the members of the Task Force will not be MoDOT employees, they will need meeting space and staff dedicated to supporting the Task Force's mission. The proposal directs the Task Force to develop "comprehensive recommendations" to the Department. Staff time will be needed to assist this directive.

The proposal also directs the Director to promulgate rules to regulate the tow industry and a process to assess civil penalties for noncompliance; this would require substantial time of the Chief Counsel's Office (CCO). Further, the proposal directs the Director to develop an appeal/hearing process to hear and adjudicate consumer complaints. This will also require substantial CCO staff time.

ASSUMPTION (continued)

In summary, MoDOT assumes an unknown negative impact to state road funds.

Oversight will assume a cost of under \$100,000 to MoDOT and will also assume the bulk of MoDOT's expenses will be incurred by the March 1, 2020 deadline for the task force to make its first comprehensive recommendations to the department, and can be absorbed going forward.

In response to a similar proposal from 2018 (HCS for HB 2496), officials from the **Department of Public Safety - Missouri Highway Patrol** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal from 2018 (HCS for HB 2496), officials from the **Office of the Governor** assumed Section 304.153 creates the Towing Task Force within the Department of Transportation, which is comprised of eight gubernatorial appointments. There should be no added cost to the Governor's Office as a result of this measure.

However, if additional duties are placed on the office related to appointments in other TAFP legislation, there may be the need for additional staff resources in future years.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500.

The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

ASSUMPTION (continued)

In response to a similar proposal from 2018 (HCS for HB 2496), officials from the **Joint Committee on Administrative Rules** stated that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

In response to a similar proposal from 2018 (HCS for HB 2496), officials from the and **St. Louis County Department of Justice Services** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal from 2018 (HCS for HB 2496), officials from the **Springfield Police Department** and **Joplin Police Department** each assumed the proposal would have no fiscal impact on their respective organizations.

§304.180

In response to a similar proposal from 2018 (SB 683), officials from the **Department of Transportation (MoDOT)** assumed the proposal would have an unknown fiscal impact on their organization.

The base fee for a single trip permit for cranes, concrete pumps and well drilling equipment is \$15. If the load is overweight, the charge is the base fee of \$15, plus \$20 for each 10,000 lbs. or portion thereof over legal gross weight for the particular configuration. The fee for an annual blanket for concrete pump or well drilling equipment is \$300. Blanket permits are pro-rated quarterly. Below is a chart showing the number of permits issued and the total fees collected for the period of November 1, 2016 through November 30, 2017.

Type	Total Number of Permits Issued	Total Fees Collected
Concrete Pump (single trip and blanket permits)	449	\$200,361
Well Drilling Equipment (blanket*)	19	\$3,391
Crane (single trip)	7,096	\$726,384
Total	7,564	\$930,136

* No single trip permits for well drilling equipment were issued.

ASSUMPTION (continued)

The fiscal impact of this proposal is unknown at this time due to the following reasons:

- The price of the blanket permit for cranes will not be determined until after the bill passes, as the bill leaves this up to the Highways and Transportation Commission.
- The parameters of the size, weight and dimensions of which cranes will be allowed to purchase blanket permits is unknown until the bill passes and the parameters are decided upon. Some cranes will be of a size or weight that will most likely require individual trip permits and others can obtain the yearly blanket permit.

In response to a similar proposal from 2018 (SB 683), officials from the **Department of Revenue** and **Office of Administration - Facilities Management, Design and Construction** each assumed the proposal would have no fiscal impact on their respective organizations.

§304.232

Officials from the **Department of Transportation** assume this amendment would affect the Motor Carrier Assistance Program (MCSAP) grant program with the Federal Government.

Non-compliance with it, as this amendment possibly causes, would result in a loss of approximately \$8 million in federal funds used to conduct roadside inspections, plus compliance audits within MoDOT's Motor Carrier Services Division. MoDOT awaits response from the federal government regarding the safety inspection restriction.

MoDOT receives approximately \$8 million per year in MCSAP funds, much of which goes to law enforcement agencies.

Oversight will range the fiscal impact of this amendment from \$0 (Missouri not out of compliance with federal motor carrier regulations) to a loss of up to \$8 million each fiscal year (if Missouri is found to be out of compliance with federal motor carrier regulations).

§306.030

In response to a similar proposal from 2018 (Perfecting HCS for HB 1300), officials from the **Office of Administration - Budget and Planning (B&P)** stated currently, the first \$2 million in boat title and registration fees is deposited into General Revenue. Any collections beyond \$2 million is deposited into the Water Patrol Fund.

ASSUMPTION (continued)

This legislation would reduce the \$2 million trigger to \$1 million, starting in FY 20. The Department of Public Safety stated there has always been an excess of \$2 million collected in recent years; therefore, the proposal would cause a shift of \$1 million per year from General Revenue to the Water Patrol Fund.

Officials from the **Department of Revenue** state the proposed legislation would result in a \$1,000,000 reduction of revenue deposited into the General Revenue Fund, and an increase in the amount of revenue deposited into the Water Patrol Division Fund by \$1,000,000 beginning July 1, 2019.

In response to a similar proposal from 2018 (Perfecting HCS for HB 1300), officials from the **Department of Public Safety - Missouri Highway Patrol** assumed no fiscal impact from the proposal.

Oversight notes that the original shift in funding from the General Revenue Fund to a new Missouri State Water Patrol Fund (0400) was enacted in SB 778 in 2006. Also in that bill, boat licensing fees were raised from \$10, \$20, \$30 and \$40 to \$25, \$55, \$100, and \$150 respectively, depending upon the length of the vessel.

According to the fund description from the Office of the State Treasurer, Oversight believes this transfer is the only funding source into the State Water Patrol Fund. During the past four years, the Missouri State Water Patrol Fund has had the following receipts into the fund:

FY 2017	\$2,901,729
FY 2016	\$2,661,931
FY 2015	\$2,768,015
FY 2014	\$2,962,600

The balance of the fund on December 31, 2017 was \$515,714.

Oversight notes the House Committee Substitute changes the effective date of the change to all years beginning on or after July 1, 2019 (FY 2020).

§306.126

In response to a similar proposal from 2018 (Perfecting SS for SCS For SB 752), officials from the **Department of Public Safety - Missouri Highway Patrol** assumed the proposal would not fiscally impact their agency.

ASSUMPTION (continued)

§307.175

Officials from the **Department of Transportation** and **Department of Public Safety - Missouri Highway Patrol** each assume the section will have no fiscal impact on their respective organizations.

§319.129

In response to a similar proposal from 2018 (HCS for SS for SCS for SB 782), officials from the **Department of Natural Resources (DNR), Department of Agriculture, Department of Revenue** and **Department of Health and Senior Services** each assumed the proposal would have no fiscal impact on their respective organizations.

In response to a similar proposal from 2018 (HCS for SS for SCS for SB 782), officials from the **Office of the Governor, Department of Insurance, Financial Institutions and Professional Registration** and **Office of the State Treasurer** each assumed the proposal would have no fiscal impact on their respective organizations.

Officials from the **Petroleum Storage Tank Insurance Fund Board of Trustees** assume the proposal would require the Department of Revenue (DOR) to continue collecting the transport load fee for another ten years. The PSTIF Board of Trustees funds 1 FTE at DOR to collect this fee at an annual cost of approximately \$44,000. No impact to general revenue.

The majority of funding for the PSTIF's liabilities comes from the transport load fee, currently assessed at \$20 per 8,000 gallons on all fuel used in Missouri. Actuarial estimates indicate the current cash balance in the trust fund, plus anticipated revenues through the "sunset date" of 12/31/20, will be insufficient to meet long-term liabilities for all claims already filed plus those expected to be filed prior to the "sunset date." The estimated shortfall is approximately \$35 million. The PSTIF Board is currently considering an increase in the transport load fee, but is prohibited from increasing the fee more than \$15 per year. Even if a \$15 increase is implemented in 2018 and again in 2019, and a \$10 increase in 2020, (to the maximum allowed by law), it is likely the Trust Fund would have unfunded liabilities and would run out of cash in future years while "claims run out" is being paid. The bill would mitigate this long-term solvency issue by authorizing continued revenue into the PSTIF for an additional ten years.

If the PSTIF "sunset" on 12/31/20, it is anticipated most or all insured tank owners who have never had a leak or filed a claim will have their property tested for "old pollution;" all of these claims would be filed in the next 36 months.

ASSUMPTION (continued)

If this bill is enacted, most or all of these claims would still likely be filed, but would be presented over a longer period of time; this would stretch payout of liabilities over more future years, which would affect the PSTIF's solvency in a positive way.

In addition, because the PSTIF Board would continue to insure tank owners for ten more years, additional future liabilities would be incurred for leaks at insured sites occurring after 12/31/2020, and additional administrative costs will be incurred for insuring tank sites and processing new claims.

In response to a similar proposal from 2018 (HCS for SS for SCS for SB 782), officials from the **Office of Administration** deferred to DNR for the fiscal impact of this proposal.

Oversight notes the Petroleum Storage Tank Insurance Fund (0585) balance as of June 30, 2017 was \$49,752,551. Over the past three calendar years (2015 - 2017), an average of \$11.5 million was collected for transport load fees. Oversight will reflect this average as a revenue extension for FY 2021 (6 months) through FY 2022.

Oversight also notes this section extends the expiration date of the PSTIF from December 31, 2020 to December 31, 2025; not December 31, 2030 as indicated in the similar proposals mentioned above. This will not change the original fiscal impact reflected through FY 2022.

§319.140

Oversight notes this section establishes the Task Force on the Petroleum Storage Tank Insurance Fund which is required to submit a report to the General Assembly by December 31, 2018 regarding the efficacy, sustainability and administration of the Petroleum Storage Tank Insurance Fund. This section expires December 31, 2018.

Oversight assumes there will be no fiscal impact from this section.

§414.032

Officials from the **Department of Agriculture** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal from 2018 (HCS for HB 2452), officials from the **Office of the Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act.

ASSUMPTION (continued)

The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

In response to a similar proposal from 2018 (HCS for HB 2452), officials from the **Joint Committee on Administrative Rules** stated that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

Bill as a Whole

Officials from the **Administrative Hearing Commission, Department of Corrections, Department of Labor and Industrial Relations** and the **Metropolitan St. Louis Sewer District** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2019 (6 Mo.)	FY 2020	FY 2021	Fully Implemented (FY 2022)
GENERAL REVENUE FUND				
<u>Cost - DOR - IT</u> services (§§301.010, 301.020, 301.055, 301.130, 301.350, 302.170, 302.173, 302.174, 302.720, 304.005, 304.012, 304.820 and 306.126) p. 16	(\$85,212)	\$0	\$0	\$0
<u>Cost - DOR -</u> Vendor costs (§302.174) p. 16	(\$28,000)	\$0	\$0	\$0
<u>Loss - lowering</u> threshold from \$2 million to \$1 million - after which moneys will go to the Missouri State Water Patrol Fund instead of the General Revenue Fund (§306.030) p. 26	\$0	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)

<u>FISCAL IMPACT -</u> <u>State Government</u> (continued)	FY 2019 (6 Mo.)	FY 2020	FY 2021	Fully Implemented (FY 2022)
<u>Transfer Out -</u> Transfer to Emergency Bridge Repair and Replacement Fund (\$226.228) p. 8	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(Could exceed <u>\$113,212</u>)	(Could exceed <u>\$1,000,000</u>)	(Could exceed <u>\$1,000,000</u>)	(Could exceed <u>\$1,000,000</u>)
CHEMICAL EMERGENCY PREPAREDNESS FUND				
<u>Income - extension</u> of fee collecting authority from 8/28/18 to 8/28/2024 (\$292.606) p. 10-12	<u>\$720,833</u>	<u>\$860,000</u>	<u>\$860,000</u>	<u>\$860,000</u>
ESTIMATED NET EFFECT TO THE CHEMICAL EMERGENCY PREPAREDNESS FUND	<u>\$720,833</u>	<u>\$860,000</u>	<u>\$860,000</u>	<u>\$860,000</u>

<u>FISCAL IMPACT -</u> <u>State Government</u> (continued)	FY 2019 (6 Mo.)	FY2020	FY 2021	Fully Implemented (FY 2022)
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**EMERGENCY
 BRIDGE REPAIR
 AND
 REPLACEMENT
 FUND**

Transfer In -
 Transfer from
 General Revenue or
 from other eligible
 sources (§226.228)
 p. 8

	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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**ESTIMATED NET
 EFFECT ON THE
 EMERGENCY
 BRIDGE REPAIR
 AND
 REPLACEMENT
 FUND**

	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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HIGHWAY FUND

Loss - decreased
 revenue from
 waiving the CDL
 knowledge test for
 military members
 (§§302.170, 302.173
 and 302.720) p. 17

	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
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**ESTIMATED NET
 EFFECT ON THE
 HIGHWAY FUND**

	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
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<u>FISCAL IMPACT -</u> <u>State Government</u> (continued)	FY 2019 (6 Mo.)	FY 2020	FY 2021	Fully Implemented (FY 2022)
MISSOURI STATE WATER PATROL FUND				
<u>Income</u> - lowering threshold from \$2 million to \$1 million - after which moneys will go to the Missouri State Water Patrol Fund instead of the General Revenue Fund (\$306.030) p. 26				
	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>
ESTIMATED NET EFFECT TO THE MISSOURI STATE WATER PATROL FUND				
	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>
PETROLEUM STORAGE TANK INSURANCE FUND				
<u>Revenue</u> - PSTIF Board of Trustees - Extension of transport load fee from 12/31/2020 to 12/31/2025 (\$319.129) p. 27-28				
	<u>\$0</u>	<u>\$0</u>	<u>\$5,750,000</u>	<u>\$11,500,000</u>

<u>FISCAL IMPACT -</u> <u>State Government</u> (continued)	FY 2019 (6 Mo.)	FY 2020	FY 2021	Fully Implemented (FY 2022)
ESTIMATED NET EFFECT ON THE PETROLEUM STORAGE TANK INSURANCE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$5,750,000</u>	<u>\$11,500,000</u>
STATE ROAD FUND				
<u>Revenue</u> - MoDOT - addition of annual permits for construction cranes (\$304.180) p. 24-25	Unknown	Unknown	Unknown	Unknown
<u>Savings</u> - MoDOT - submission of reports already being published (\$21.795) p.	Less than \$100,000	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Cost</u> - MoDOT - administrative costs to support Towing Task Force (\$304.153) p.	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

<u>FISCAL IMPACT -</u> <u>State Government</u> (continued)	FY 2019 (6 Mo.)	FY 2020	FY 2021	Fully Implemented (FY 2022)
FEDERAL MOTOR CARRIER ASSISTANCE PROGRAM FUNDS				
<u>Loss - MoDOT -</u> Missouri potentially out of compliance with federal motor carrier regulations (§304.232) p. 25	\$0 or (Up to <u>\$8,000,000</u>)	\$0 or (Up to <u>\$8,000,000</u>)	\$0 or (Up to <u>\$8,000,000</u>)	\$0 or (Up to <u>\$8,000,000</u>)
ESTIMATED NET EFFECT ON FEDERAL MOTOR CARRIER ASSISTANCE PROGRAM FUNDS	\$0 or (Up to <u>\$8,000,000</u>)	\$0 or (Up to <u>\$8,000,000</u>)	\$0 or (Up to <u>\$8,000,000</u>)	\$0 or (Up to <u>\$8,000,000</u>)

<u>FISCAL IMPACT -</u> <u>Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021	Fully Implemented (FY 2021)
LOCAL POLITICAL SUBDIVISIONS				
<u>Cost Avoidance -</u> Local Political Subdivisions - contracting with counties and sharing in transportation infrastructure financing (§§108.120 and 137.555) p. 7	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Loss - Cities (15%)</u> decreased revenue from waiving the CDL knowledge test for military members (§§302.170, 302.173 and 302.720) p. 17	(Minimal)	(Minimal)	(Minimal)	(Minimal)
<u>Loss - Counties</u> (10%) decreased revenue from waiving the CDL knowledge test for military members (§§302.170, 302.173 and 302.720) p. 17	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	(Minimal) or <u>Unknown</u>	(Minimal) or <u>Unknown</u>	(Minimal) or <u>Unknown</u>	(Minimal) or <u>Unknown</u>

FISCAL IMPACT - Small Business

Some small businesses will continue to pay an existing fee from this proposal (§292.606).

Small crane businesses could be impacted by this proposal (§304.180).

This proposal proposes a cap on the rates tow truck operators can charge for a "non-consensual" tow at the direction of a law enforcement officer. This could change the revenues that tow truck operators generate (§304.153).

FISCAL DESCRIPTION

This bill removes the Section 21.795, RSMo, requirements involving details for financial reports submitted by the Department of Transportation to the Joint Committee on Transportation Oversight. In lieu of extremely lengthy and detailed mandated reporting, three annually produced publications from the department will be provided to the committee.

This bill expands the term "contiguous and compact" as used in the annexation laws by providing that it includes a situation whereby the unincorporated area proposed to be annexed would be contiguous and compact to the existing corporate limits of the city, town, or village but for an intervening roadway or railroad right-of-way, regardless of whether any other city, town, or village has annexed the roadway or otherwise has an easement in the roadway (§§71.012 and 71.015).

For an annexation to which an objection has been made, the municipality must demonstrate that the "shared" border is at least 15% of the total perimeter of the land to be annexed. How the "shared" border is determined given the intervening roadway or railroad right-of-way is detailed in the bill (§§71.012 and 71.015).

The proposed legislation increases the minimum motor vehicle liability coverage a driver must carry for others' property when operating a motor vehicle (§§105.1073, 303.020, 303.022, 303.030, 303.120, 303.190, 303.240, 379.110 and 379.118).

This bill removes requirements that money in the Road Bond Construction Fund and Special Road and Bridge Fund be used only on roads that are continuous through a political subdivision, and specifies that counties may contract with political subdivisions to share the bond proceeds for authorized purposes (§§108.120 and 137.555).

FISCAL DESCRIPTION (continued)

Currently, school bus drivers provide an annual statement from a medical examiner certifying that they can safely operate a school bus. This bill extends the time period to not longer than two years if a medical examiner approved by the Department of Transportation agrees to issue such certification instead of a one year certification statement. The department may promulgate rules to enforce the bill (§162.064).

This bill creates the "Emergency Bridge Repair and Replacement Fund," which consists of funds from General Revenue to the Department of Transportation for accelerated bridge replacements or immediate repairs to bridges in critical disrepair, subject to appropriation (§226.228).

This bill authorizes the expenditure of state funds on rest areas and recreational areas in a manner consistent with existing federal regulations (§§226.770 and 226.780).

This bill requires that the Department of Transportation utility corridor be up to 12 feet wide when space is reasonably available. The location, construction, maintenance, removal, and relocation of any utility facility under this bill shall be performed in accordance with existing law. This bill also requires the State Highways and Transportation Commission to promulgate rules setting forth a standardized system for requesting and issuing variances to certain requirements (§227.240).

This bill designates several memorial highways (§§227.537, 227.538, 227.539, 227.540, 227.541, 227.542, 227.544, 227.545 and 227.546).

This bill states that one purpose of the brush control law is to prevent brush from interfering with vehicles traveling on the road. If the county is required to take action to control the brush because the owner fails to do so, the county will extend the costs as a special tax due on the landowner's real and personal property tax assessment and collected in the same manner as state and county taxes. Notice that must be provided to the landowner of these requirements can be given in writing using any mail service with delivery tracking. The county right-of-way or county maintenance easement will be deemed to extend 15 feet from the center of the county road or at a distance set forth in the original conveyance. The center of the road will be a point equidistant from both edges of the drivable ground of the road in its current condition. In the event a county is required to obtain a land survey to enforce these provisions, the costs of the survey will be divided equally between the county and the land owner (§263.245).

Under current law, certain provisions relating to fees collected relating to the transportation and delivery of petroleum products are due to expire on August 28, 2018. This bill extends this expiration date to August 28, 2024 (§292.606).

FISCAL DESCRIPTION (continued)

This bill includes "non-track equipment" in the traffic regulations concerning the requirement to stop for trains at railroad crossings (§300.295).

This bill creates a registration framework specific to autocycles, as defined in the bill, and adds straddle-type seating and handlebar-based controls to the definition of motortricycle. The bill specifies that autocycles registered as motorcycles or motortricycles prior to August 20, 2018, shall remain in effect until their expiration, after which time the vehicles must be registered as autocycles (§§301.010, 301.020, 301.055, 301.130 and 301.350).

This bill specifies that the Department of Revenue may retain documents submitted by a commercial driver's license applicant who is active duty or retired military if the documents allow for waiver of the commercial driver's license knowledge test, skills test, or both (§302.170).

Currently, completion of a civilian or military motorcycle rider training course qualifies a license applicant for a waiver of the driving test requirement. This bill expands the waiver to include the practical knowledge test, and specifies that course completion shall be accepted for purposes of motorcycle license or endorsement issuance for one year from the date of course completion (§302.173).

The Director of Revenue currently has the authority to waive the driving skills test for a commercial driver's license for qualified military applicants. This act allows the Director of Revenue to also waive the knowledge test. The bill lengthens, from 90 days to one year, how recently an applicant must have been employed in a qualifying military position in order to be eligible for the waivers (§302.720).

This bill includes individuals with hearing loss that impairs the capacity to discriminate ordinary speech in the class of persons eligible for a deaf or hard of hearing notation on their driver's license. The Missouri Commission for the Deaf and Hard of Hearing will make a video explaining the "DHH" notation and the right to receive it and the video will be posted in each driver's license office. The video is conducted in sign language and captioned in English. The Department of Revenue is allowed, but not mandated, to replace the "DHH" notation with the phrase "deaf or hard of hearing" on licenses (§302.174).

This bill requires school bus drivers who are 70 years of age or older to complete a CDL skills test and the driver's license exam on an annual basis in order to maintain their authority to drive buses (§302.272).

FISCAL DESCRIPTION (continued)

This bill provides that the Kansas City Public Schools school board may contract with any municipality, bi-state agency, or other governmental entity to transport high school children. The contract shall be for additional transportation services and shall not replace or fulfill any of the school district's obligations to transport students to and from school. The school district may notify students of the option to use district contracted transportation services (§304.060).

This bill creates a "Towing Task Force" within the Missouri Department of Transportation. Membership, leadership positions, and regulation of the task force is specified in the bill. The task force will make recommendations to the department by March 1, 2020, concerning maximum towing rates for non-consensual towing including storage fees, the investigation of overcharges for towing, processes for consumer complaints and civil penalties to use to enforce towing regulations, and relevant information to provide on invoices for non-consensual towing operations. Other recommendations are also specified in the bill. The bill prohibits the use of per-pound billing and also limits civil penalty options chosen by the commission to under \$5,000 per violation (§304.153).

This bill provides that the Highways and Transportation Commission shall issue single-use special permits for or upon request of the equipment owner annual permits for the transportation of cranes. The Commission shall also set parameters for the transportation of cranes under this bill (§304.180).

Currently, the first \$2 million collected annually from boat title and registration fees is deposited into the State General Revenue Fund, with the remainder going to the Water Patrol Division of the State Highway Patrol. This bill changes that requirement to having the first \$1 million collected annually from boat title and registration fees be deposited into the State General Revenue Fund beginning July 1, 2019 (§306.030).

All fees collected in excess of that must be deposited into the Water Patrol Division Fund to be used exclusively for the Water Patrol Division of the State Highway Patrol (§306.030).

This bill specifies that the requirement for boat passengers to ride only within adequate guards or railing when underway shall not apply to vessels propelled by propellers or jet motors when such vessels are operating on a stretch of waterway not created or widened by impoundment (§306.126).

FISCAL DESCRIPTION (continued)

Currently, vehicles owned by a utility or by an entity performing work for the department of transportation may display fixed, flashing, or rotating lights under certain circumstances. This bill specifies that both vehicles and equipment may display the lights, whether owned or leased by their users. This bill specifies that no more than two vehicles per work zone may display fixed, flashing, or rotating red or red and blue lights. Under the bill, in order to display amber or amber and white lights, the vehicles or equipment shall be located in a marked work zone with workers present. This bill also removes the requirement that vehicles owned or leased by MODOT contractors be stationary to display the lights. The bill removes the State Highways and Transportation Commission's authority to issue and revoke permits for the use of sirens and blue lights (§307.175).

The proposed legislation creates the Task Force on the Petroleum Storage Tank Insurance Fund (§319.129).

Currently, the Petroleum Storage Tank Insurance Fund is set to expire on December 31, 2020, after which claims made prior to such date may continue to be paid. This bill extends such expiration to December 31, 2025 (§319.140).

Currently, all fuels must meet American Society for Testing and Materials (ASTM) standards, in addition to rules promulgated by the Department of Agriculture. This bill allows the director to waive specific requirements or establish temporary alternative requirements in the event of an extreme and unusual fuel supply circumstance (§414.032).

Section 307.175 contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

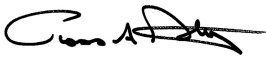
SOURCES OF INFORMATION

Department of Transportation
Department of Revenue
Department of Natural Resources
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Public Safety - Missouri Highway Patrol
Department of Public Safety - Office of the Director
Department of Economic Development - Public Service Commission
Department of Economic Development - Division of Energy
Department of Economic Development - Office of Public Counsel
Department of Insurance, Financial Institutions and Professional Registration
Office of Administration - General Services
Department of Elementary and Secondary Education
Department of Labor and Industrial Relations
Department of Health and Senior Services
Office of the State Treasurer
Department of Mental Health
Department of Social Services
Department of Public Safety - Division of Fire Safety
Department of Public Safety - State Emergency Management Agency
Office of Administration - Facilities Management, Design and Construction
Office of the State Public Defender
Office of Prosecution Services
Office of the State Courts Administrator
Department of Corrections
Administrative Hearing Commission
State Tax Commission
Petroleum Storage Tank Insurance Board
City of Liberty
Callaway County Commission
City of Kansas City
Boone County
St. Louis County
Platte County Board of Election Commissioners
Chariton County
Linn County
Daviss County
Joplin Police Department

SOURCES OF INFORMATION (continued)

St. Louis County Department of Justice Services
Springfield Police Department
Summersville R2 School District
West Plains School District
Metropolitan St. Louis Sewer District

Ross Strobe

A handwritten signature in black ink, appearing to read "Ross Strobe".

Acting Director
May 2, 2018