

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1178-09
Bill No.: Truly Agreed To and Finally Passed CCS for SS for HCS No. 2 for HB 499
Subject: Air Quality; County Officials; Courts; Fees; Licenses - Driver's; Motor Vehicles; Department of Revenue; Department of Transportation; Transportation
Type: Original
Date: June 13, 2019

Bill Summary: This legislation enacts provisions relating to transportation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	(\$133,263) to (\$289,475)	\$0 to (\$161,262)	\$0 to (\$162,623)
Total Estimated Net Effect on General Revenue	(\$133,263) to (\$289,475)	\$0 to (\$161,262)	\$0 to (\$162,623)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Highway Fund (0644)	\$2,277,171 or \$22,459,083	\$2,732,606 or \$26,950,900	\$2,732,606 or \$26,950,900
Total Estimated Net Effect on <u>Other</u> State Funds	\$2,277,171 or \$22,459,083	\$2,732,606 or \$26,950,900	\$2,732,606 or \$26,950,900

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 20 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	0 to 4 FTE	0 to 2 FTE	0 to 2 FTE
Total Estimated Net Effect on FTE	0 to 4 FTE	0 to 2 FTE	0 to 2 FTE

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 2020	FY 2021	FY 2022
Local Government	Up to \$759,057 or \$7,486,361	Up to \$910,868 or \$8,983,633	Up to \$910,868 or \$8,983,633

FISCAL ANALYSIS

ASSUMPTION

§136.055 - Fees Charged by License Contract Offices

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

Administrative Impact

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

- Update procedures, forms, correspondence, associated fee charts, and the Department website;
- Update the Dealer Operating Manual;
- Update the Missouri Titling Manual;
- Update the Uniform License Issuance Manual;
- Update the on-line and printed versions of the Missouri Driver guide, Missouri Motorcycle Guide, and the Commercial Driver License (CDL) Manual;
- Complete programming and user acceptance testing;
- Update the Missouri Transportation Accounting System (MTAS) tables used by the Missouri Electronic Driver License System (MEDL); and
- Train internal and license office staff.

FY 2020 - Motor Vehicle Bureau

Management Analysis Spec I	520 hrs. @ \$18.42 per hr.	= \$9,578
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FY 2020 - Driver License Bureau

Administrative Analyst II	160 hrs. @ \$17.13 per hr.	= \$2,741
Management Analysis Spec II	180 hrs. @ \$20.57 per hr.	= \$3,703
Revenue Manager	30 hrs. @ \$20.59 per hr.	= \$ 618
Total		= \$7,062

FY 2020 - Personnel Services Bureau

Administrative Analyst III	40 hrs. @ \$19.80 per hr.	= \$ 792
Management Analysis Spec I	60 hrs. @ \$18.42 per hr.	= \$1,105
Management Analysis Spec II	30 hrs. @ \$20.57 per hr.	= \$ 617
Total		= \$2,514

Total Costs = **\$19,154**

ASSUMPTION (continued)

DOR notes OA-ITSD services will be required at a cost of **\$54,270** (723.60 hours x \$75 per hour) in FY 2020.

Revenue Impact

DOR notes this legislation will also increase processing fees for transactions processed at the Central Office Branch Office, through the mail, and online. This fee increase will be split to the Highway Fund, Cities, and Counties 75/15/10.

Motor Vehicle Bureau

Registrations for 1 year in FY 2021 and FY 2022:

70,744	Estimated 2 year transactions in Central Office and Online (MORE)
x \$ 2.50	Increased agent processing fee from \$3.50 to \$6.00
\$176,860	Total annual increase in processing fees for 1 year transactions.

Registrations for 2 year in FY 2021 and FY 2022:

173,493	Estimated 2 year transactions in Central Office and Online (MORE)
x \$ 5.00	Increased agent processing fee from \$7.00 to \$12.00
\$ 867,465	Total annual increase in processing fees for 2 year transactions.

Titles in FY 2021 and FY 2022:

154,246	Estimated 1 year fees by Branch Office - Central Site and Online (MORE)
x \$ 3.50	Increased agent processing fee from \$2.50 to \$6.00
\$ 539,861	Total annual increase in title processing fees

Notice of Liens in FY 2021 and FY 2022:

6,112	Central Office Filed
+ 570,172	Online Notice of Liens
576,284	Total Notice of Liens Filed
x \$ 3.50	Estimated 1 year fees by Branch Office - Central Site and Online (MORE)
\$ 2,016,994	Total annual increase in Notice of Lien Process Fees

ASSUMPTION (continued)

Revenue Impact (continued)

Driver License Bureau

Permits, Driver License, or Nondriver License Issued for 3 years or less in FY 2021 and FY 2022:

816	Estimated 3 year fees by Central Branch Office
<u>x \$ 3.50</u>	Increased agent processing fee from \$2.50 to \$6.00
\$ 2,856	Total annual increase in agent processing fees for exceeding 3 year transactions.

Permits, Driver License, or Nondriver License Issued for 6 years or less in FY 2021 and FY 2022:

5,634	Estimated 6 year fees Central Branch Office
<u>x \$ 7.00</u>	Increased agent processing fee from \$5.00 to \$12.00
\$39,438	Total annual increase in agent processing fees for exceeding 3 years transactions.

It is unknown how many notary fees or additional electronic transmission fees may be collected under the proposed change to §135.055.1(5) RSMo.

Total Central Office, mail-in, and online processing fees to distribute: **\$3,643,474**

ASSUMPTION (continued)

Oversight notes the following fee changes:

Transaction Type	Current Fee	Proposed Fee
Motor vehicle or trailer registration (one year)	\$3.50	\$6.00
Motor vehicle or trailer registration (two year)	\$7.00	\$12.00
Application of transfer	\$2.50	\$6.00
Instruction permit, nondriver license, chauffeur's, operator's or driver's license (three years or less)	\$2.50	\$6.00
Instruction permit, nondriver license, chauffeur's, operator's or driver's license (exceeds three years)	\$5.00	\$12.00
Notice of liens	\$2.50	\$6.00
Notary fee	\$2.00 (only collected for telephone receptions)	\$2.00 per transaction

Source: Oversight

	FY 2020 (10 mos.)	FY 2021	FY 2022
<i>Amount to Distribute</i>	\$3,036,228	\$3,643,474	\$3,643,474
Highways (75%)	\$2,277,171	\$2,732,606	\$2,732,606
Cities (15%)	\$455,434	\$546,521	\$546,521
Counties (10%)	\$303,623	\$364,347	\$364,347

Source: DOR

Officials from the **Department of Transportation (MoDOT)** considers the revenues collected from these fees to be State Revenue Derived from Highway Users (SRHU) subject to the distribution requirements set out in Art. IV, Sec. 30(b)1, Mo. Const. MoDOT does not collect these fees, so we defer to DOR for the dollar figure.

Oversight notes that the additional fee revenue estimate provided by DOR is only for transactions at the Central Office and online. DOR assumes the additional fees charged by the fee offices will be retained by the fee offices.

ASSUMPTION (continued)

If MoDOT is correct in their assertion that the fee increases on transactions at all fee offices statewide (176 contracted license offices) should be distributed as SRHU revenue as well, there could be a significantly larger increase in revenue to distribute between the state's Highway Fund, cities and counties.

DOR provided information that **Oversight** used to estimate the estimated fee increase state-wide:

Registrations for 1 year in FY 2021 and FY 2022

1,485,689	Total Transactions
x \$2.50	Increased agent processing fee from \$3.50 to \$6.00
\$3,714,222	Total annual increase in agent processing fees for 1 year transactions.

Registrations for 2 year in FY 2021 and FY 2022

2,304,276	Total Transactions
x \$5.00	Increased agent processing fee from \$7.00 to \$12.00
\$11,521,380	Total annual increase in agent processing fees for 2 year transactions.

Titles in FY 2021 and FY 2022

2,059,457	Total Transactions
x \$3.50	Increased agent processing fee from \$2.50 to \$6.00
\$7,208,100	Total annual increase in agent processing fees for Title transactions.

Notice of Liens in FY 2021 and FY 2022

737,754	Notice of Lien Transactions (number adjusted from DOR est.)
x \$3.50	Increased agent processing fee from \$2.50 to \$6.00
\$2,582,139	Total annual increase in agent processing fees for Title transactions.

ASSUMPTION (continued)

Permits, Driver License, or Nondriver License Issued for 3 years or less in FY 2021 and FY 2022

167,333	Total Permits
330,521	Total Driver License (DL)
4,538	Total Nondriver License (NDL)
<u>+18,785</u>	Total Estimated Duplicates (DL, NDL and Permits)
521,177	Total annual 3 year or less transactions
x \$3.50	Increased agent processing fee from \$2.50 to \$6.00
\$1,824,120	Total annual increase in agent processing fees for 3 year transactions.

Permits, Driver License, or Nondriver License Issued for 6 years or less in FY 2021 and FY 2022

888,535	Total Driver License (DL)
130,063	Total Nondriver License (NDL)
<u>+279,198</u>	Total Estimated Duplicates (DL, NDL and Permits)
1,297,796	Total annual transactions exceeding 3 years
x \$7.00	Increased agent processing fee from \$5.00 to \$12.00
\$9,084,572	Total annual increase in agent processing fees for exceeding 3 years transactions.

Transaction Type	2020	2021 & 2022
Motor vehicle or trailer registration (one year)	\$3,095,185	\$3,714,222
Motor vehicle or trailer registration (two year)	\$9,601,150	\$11,521,380
Titles	\$6,006,750	\$7,208,100
Instruction permit, nondriver license, chauffeur's, operator's or driver's license (three years or less)	\$1,520,100	\$1,824,120
Instruction permit, nondriver license, chauffeur's, operator's or driver's license (exceeds three years)	\$7,570,476	\$9,084,572
Notice of liens	\$2,151,783	\$2,582,139
TOTAL	\$29,945,444	\$35,934,533

ASSUMPTION (continued)

For simplicity, **Oversight** will assume, if MoDOT is correct in their assertion that this additional revenue shall be distributed according to Art. IV, Sec. 30(b)1, of the Missouri Constitution, that the additional fee revenue will be distributed 75% to highways, 15% to cities and 10% to counties. Oversight notes that DOR is allowed to retain 3% of the tax or fee collected for collection costs; however, Oversight will simply provide that amount for informational purposes and not reflect it in the fiscal note.

	FY 2020 (10 mos.)	FY 2021 & FY 2022	3%
<i>Amount to Distribute</i>	\$29,945,444	\$35,934,533	\$1,078,036
Highways (75%)	\$22,459,083	\$26,950,900	
Cities (15%)	\$4,491,817	\$5,390,180	
Counties (10%)	\$2,994,544	\$3,593,453	

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** assume the legislation would have no fiscal impact on their organization.

Oversight notes that MHP has stated the legislation would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for MHP.

§§227.453, 227.454, 227.457, 227.458, 227.459, 227.460, 227.461, 227.462, 227.469, 227.471, 227.547, 227.549, 227.550, 227.800, 227.801 & 227.802 - Memorial Infrastructure

Officials from the **Department of Transportation (MoDOT)** assume the legislation will have no fiscal impact on their organization.

Oversight notes that MoDOT has stated these sections would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for MoDOT for these sections.

ASSUMPTION (continued)

§§301.010 & 301.067 - Recreational Trailers

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

Oversight notes that the agencies mentioned above have stated the legislation would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

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

Administrative Impact

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

- Update procedures and the Department website;
- Update correspondence letters; and
- Complete programming and user acceptance testing for identified systems.

FY 2020 - Motor Vehicle Bureau

Management Analysis Spec I	240 hrs. @ \$18.42 per hr.	= \$4,421
Total		= \$4,421

FY 2020 - Personnel Services Bureau

Management Analysis Spec I	40 hrs. @ \$18.42 per hr.	= \$737
Administrative Analyst III	10 hrs. @ \$19.80 per hr.	= \$198
Total		= \$935

Total Costs = **\$5,356**

DOR note OA-ITSD services will be required at a cost of **\$15,471** (206.28 hours x \$75 per hour) in FY 2020.

It is assumed that "recreational trailer" one and three year registrations will still expire annually (December 31st) as prescribed for all trailers in §301.030. Currently, §301.030 allows all trailers to have an extension on fees payable until the last day of February.

ASSUMPTION (continued)

It is assumed this legislation extends (defers) this for recreational trailers until the last day of May.

Oversight notes the current due date for trailer registrations is in December. This legislation changes the due date (instead of December 2019) to May, 2020. Oversight notes December, 2019 and May, 2020 are both in the same fiscal year; therefore, Oversight assumes there will not be a revenue impact from this change in FY 2020 or any year going forward.

§§302.574 & 479.500 - St. Louis County Traffic Court Judges

Officials from the **Office of the State Courts Administrator, Department of Revenue, Missouri Department of Transportation, Missouri Highway Patrol and Department of Mental Health** each assume no fiscal impact to their respective agencies from this legislation.

In response to a previous version, officials at the **Joint Committee on Administrative Rules** assumed this legislation is not anticipated to cause a fiscal impact beyond current appropriations.

Oversight notes that the agencies mentioned above have stated the legislation would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

In response to a previous version, officials from the **St. Louis County Circuit Clerk's Office and St. Louis County Police Department** each assumed no fiscal impact to their respective entities from this legislation.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other law enforcement agencies within St. Louis County and St. Louis County were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

ASSUMPTION (continued)

§304.580, 304.585 & 304.894 - Driver's License Revocation for Striking a Highway Worker or
Emergency Responder

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

Administrative Impact

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

- Complete programming and user acceptance testing to create a new action type in the Missouri Driver License (MODL) system;
- Create new procedures, training manuals, notices, and forms;
- Update the Missouri Driver Guide and the Department website; and
- Train staff.

FY 2020 - Driver License Bureau

Administrative Analyst I	1176 hrs. @ \$14.70 per hr.	= \$17,287
Management Analysis Spec II	1176 hrs. @ \$20.57 per hr.	= \$24,190
Revenue Manager	1008 hrs. @ \$20.59 per hr.	= <u>\$20,755</u>
Total		= \$62,232

FY 2020 - Personnel Services Bureau

Administrative Analyst III	336 hrs. @ \$19.80 per hr.	= \$6,653
Management Analysis Spec I	336 hrs. @ \$18.42 per hr.	= <u>\$6,189</u>
Total		= \$12,842

Total Costs = **\$75,074**

DOR notes OA-ITSD services will be required at a cost of **\$127,494** (1,699.92 hours x \$75 per hour) in FY 2020.

DOR notes below are the yearly number of MoDOT highway workers struck in work zones. The number of emergency responders is unknown, but is assumed that the statistics are similar.

ASSUMPTION (continued)

Year	Number
2012	8
2013	4
2014	7
2015	12
2016	10
2017	5
2018	7
Total	53

The average total per year is 8 highway workers.

A Revenue Processing Tech I (RPT I) can process 48 revocations per day, including returned mail and other related documents. The Department assumes it can absorb the additional processing with existing staff. If the number of documents received is higher than anticipated, additional FTE will be requested through the appropriations process.

Oversight does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will not reflect a fiscal impact to DOR for revocations on the fiscal note.

Revenue Impact

A \$20 reinstatement fee is imposed for reinstatement of any license suspensions. Due to the low number of suspensions anticipated the expected revenue increase will be minimal.

Any fees collected would be distributed 75% Highway Fund, 15% Cities, and 10% Counties.

Oversight does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will not reflect an increase in fine revenue on the fiscal note.

ASSUMPTION (continued)

Officials at the **Office of Prosecution Services (OPS)** assume there is no fiscal impact. The enactment of new duties (e.g., to represent the Director of Revenue in court proceedings under Sections 304.585.6(2)(b) and 304.894.6(2)(b) creates additional responsibilities for county prosecutors which may in turn result in additional costs which are difficult to determine.

Oversight does not have any information to the contrary in regards to OPS' assumptions; therefore, Oversight will not reflect a fiscal impact to OPS.

Officials from the **Department of Transportation, Office of the State Courts Administrator, Department of Public Safety - Missouri Highway Patrol and Office of the State Public Defender** each assume the legislation would have no fiscal impact on their respective organizations.

Oversight notes that the agencies mentioned above have stated the legislation would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

In response to a previous version, officials from the **Joplin Police Department, City of Kansas City, St. Louis County Department of Justice Services, Springfield Police Department, Jackson County Sheriff's Office and St. Louis County Police Department** each assumed the legislation would have no fiscal impact on their respective organizations.

Oversight notes that the local law enforcement agencies and political subdivision mentioned above have stated the legislation would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these local law enforcement agencies and political subdivision.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other law enforcement agencies were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

§304.590 - Fines for Traffic Offenses Committed in a Travel Safe Zone

Officials from the **Office of the State Courts Administrator, Department of Revenue, Department of Public Safety - Missouri Highway Patrol and Department of Transportation** each assume the legislation will have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

MHP notes the following number of citations and warnings were issued for violations that occurred in a travel safe zone:

Year	Citations	Warnings
2018	101	26
2017	84	25
2016	242	40

Oversight notes this legislation removes the provision that requires courts to double fine amounts if a violation is assessed in a travel safe zone. Oversight assumes the removal of this provision could decrease the amount of fine revenue collected.

Oversight notes that fine amounts vary for the multiple moving and speeding violations referenced in this legislation. A portion of the ticket amount consists of fine revenue (to the local school districts) and the remaining amount consists of various state and local funds for court costs. However, all fines may not have been paid (for example, the court could have dismissed the ticket or set the fine at a different amount). Also, judges may continue to double fines in travel safe zones with passage of this legislation.

Oversight does not know how many such tickets were issued statewide by all law enforcement agencies in travel safe zones but would assume the majority are issued by the MHP. Oversight notes court costs should remain the same regardless if the fine is doubled; therefore, Oversight will reflect a potential decrease in fine revenue to local political subdivisions of "Less than \$100,000" per year

Bill as a Whole

Officials from the **Department of Economic Development - Business and Community Services, Department of Health and Senior Services, Department of Corrections, Department of Natural Resources, Office of Administration and Department of Elementary and Secondary Education** each assume the legislation will have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

Oversight notes that the agencies mentioned above have stated the legislation would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

Officials from the **Office of the Secretary of State (SOS)** assume 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 \$5,000. 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 legislation. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could require additional resources.

Oversight notes there are several sections within this legislation that will result in an administrative impact to DOR. Oversight has summarized this information below.

Position	Number of Hours	Cost
Management Analyst I	1,196	\$21,491
Management Analyst II	1,386	\$28,510
Administrative Analyst I	1,176	\$17,287
Administrative Analyst II	160	\$2,741
Administrative Analyst III	386	\$8,182
Revenue Manager	1,038	\$21,373
Total	5,342	\$99,584

ASSUMPTION (continued)

Oversight assumes DOR may hire additional staff due to the amount of hours required to implement this legislation. However, DOR also may handle this internal work without seeking additional appropriation authority. Oversight assumes DOR may hire additional FTE to staff for the positions listed above that are anticipated to need over 2,080 hours of work (full-time employee) or 1,040 hours of work (half-time employee). There are three positions that will require more than 1,040 hours; therefore, Oversight will range the fiscal impact to DOR from \$0 (work hours specified above will be handled by existing staff with no actual additional state expenditures) to an additional 1.5 FTE for FY 2020 (\$92,240) only.

Oversight notes there are several sections within this legislation that will require OA-ITSD services. Oversight has summarized the OA-ITSD costs in the table below. For simplicity purposes, Oversight will reflect the OA-ITSD costs to the General Revenue Fund as one line item.

Bill Number	Estimated OA-ITSD Hours	Estimated OA-ITSD Cost	Page Numbers
(\$136.055)	724	\$54,270	p. 4
(\$301.067)	206	\$15,471	p. 11
(\$304.580)	1,700	\$127,494	p. 13
	2,630	\$197,235	

Oversight notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, ITSD assumes they will contract out the programming changes needed to various systems. Independently, ITSD estimated the projects would take 2,630 hours at a contract rate of \$75 per hour for a total cost to the state of \$197,235.

Oversight notes that an average salary for a current IT Specialist within ITSD is \$51,618, which totals roughly \$80,000 per year when fringe benefits are added. Assuming that all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire two additional IT Specialist to perform the work required from this bill. Therefore, Oversight will range the fiscal impact from the cost of contracting out the work (197,235) to hiring two additional FTE IT Specialist (roughly \$160,000 per year).

ASSUMPTION (continued)

Oversight notes approximately 2,630 hours will be required for OA-ITSD services in FY 2020 for this legislation. Oversight assumes this will equate to approximately 1.3 staff (rounded up to 2 staff for simplicity purposes); therefore, Oversight will range the fiscal impact from the cost of contracting out the work (\$197,235) to hiring two additional FTE IT Specialists.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE FUND			
<u>Cost</u> - DOR - Administrative costs (ranged from using existing staff to hiring 1.5 additional FTE for FY 2020) p. 16	\$0 to (\$92,240)	\$0	\$0
<u>Cost</u> - DOR - ITSD costs (ranged from contracting out programming (\$197,235) to hiring two (2) additional FTE IT Specialists) p. 16-17	(\$133,263) to <u>(\$197,235)</u>	\$0 to <u>(\$161,262)</u>	\$0 to (\$162,623)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(\$133,263) to <u>(\$289,475)</u>	\$0 to (\$161,262)	\$0 to (\$162,623)
Estimated Net FTE Change for General Revenue	0 or 4 FTE	0 or 2 FTE	0 or 2 FTE
HIGHWAY FUND			
<u>Revenue</u> - increased processing fees for licenses, registrations, notice of liens and notary services (§136.055) p. 4-9	\$2,277,171 or <u>\$22,459,083</u>	\$2,732,606 or <u>\$26,950,900</u>	\$2,732,606 or <u>\$26,950,900</u>
ESTIMATED NET EFFECT ON THE HIGHWAY FUND	\$2,277,171 or <u>\$22,459,083</u>	\$2,732,606 or <u>\$26,950,900</u>	\$2,732,606 or <u>\$26,950,900</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> - Cities (15%) - increased processing fees for licenses, registrations, notice of liens and notary services (§136.055) p. 4-9	\$455,434 or \$4,491,817	\$546,521 or \$5,390,180	\$546,521 or \$5,390,180
<u>Revenue</u> - Counties (10%) - increased processing fees for licenses, registrations, notice of liens and notary services (§136.055) p. 4-9	\$303,623 or \$2,994,544	\$364,347 or \$3,593,453	\$364,347 or \$3,593,453
<u>Loss</u> - fine revenue to various local political subdivisions for tickets for various moving and speeding violations in travel safe zones (§304.590) p. 15	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>	Less than <u>(\$100,000)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	Up to \$759,057 or <u>\$7,486,361</u>	Up to \$910,868 or <u>\$8,983,633</u>	Up to \$910,868 or <u>\$8,983,633</u>

FISCAL IMPACT - Small Business

Contract offices could see an increase in processing fees collected for motor vehicle/marine titles, registrations, notice of liens, driver license, instruction permits, nondriver license, and notary transactions.

Small businesses that register vehicle or conduct other business at fee offices could pay more for these services.

FISCAL DESCRIPTION

This bill enacts provisions relating to transportation.

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 Revenue
Department of Transportation
Department of Public Safety - Missouri Highway Patrol
Office of the State Courts Administrator
Office of Prosecution Services
Office of the State Public Defender
Department of Corrections
Department of Natural Resources
Department of Economic Development
Office of Administration
Department of Elementary and Secondary Education
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Health and Senior Services
Department of Mental Health
St. Louis County Department of Justice Services
St. Louis County Police Department
Joplin Police Department
City of Kansas City
Jackson County Sheriff's Office
Springfield Police Department



Kyle Rieman
Director
June 13, 2019

Ross Strobe
Assistant Director
June 13, 2019