

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2568H.04F  
Bill No.: HS for HCS for SCS for SB 520  
Subject: Transportation  
Type: Original  
Date: May 5, 2021

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Bill Summary: This proposal establishes provisions relating to the designation of memorial infrastructure.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
General Revenue	(\$38,680)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$38,680)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
Missouri Medal of Honor Fund*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Revenue and costs net to zero.

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- ☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

§§42.320, 143.1032, 227.299, 301.020 & 302.171 – Missouri Medal of Honor Recipients Fund

In response to a similar proposal from 2021 (HS for HB 152), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

#### **Section 143.1032 Medal of Honor Tax Checkoff Program**

This proposal establishes a tax checkoff program for the Missouri Medal of Honor Recipients Fund. This tax checkoff program would allow taxpayers (individuals and corporations) who are eligible for a tax refund to donate part of all of their refund to the Missouri Medal of Honor Recipients Fund. Additionally, any taxpayer can choose to write a check for any amount and donate it to the Fund by including it with their tax return.

For informational purposes, the Department is including the amount collected from the current tax checkoff programs for FY 2020.

<b>Contribution Type</b>	<b>Total Amount of Contributions Requested</b>
ADOPTIVE PARENTS RECRUITMENT & RETENTION	\$3,151.00
ALS LOU GEHRIGS DISEASE TRUST FUND	\$2,059.00
AMERICAN CANCER SOCIETY HEARTLAND DIV.	\$5,230.45
AMERICAN HEART ASSOCIATION TRUST FUND	\$3,169.04
AMERICAN RED CROSS	\$2.00
ARTHRITIS FOUNDATION TRUST FUND	\$814.00
CHILDHOOD LEAD TESTING FUND	\$6,030.10
CHILDRENS TRUST FUND	\$42,733.45
ELDERLY HOME DELIVERED MEALS TRUST FUND	\$36,994.17
GATEWAY AREA DIABETES ASSN. TRUST FUND	\$1,760.00
GENERAL REVENUE FUND	\$8,178.00
KANSAS CITY TRUST FUND	\$19.00
MARCH OF DIMES TRUST FUND	\$2,368.21
MILITARY FAMILY RELIEF FUND	\$22,343.12
MUSCULAR DYSTROPHY ASSN. TRUST FUND	\$599.00
NATIONAL GUARD FOUNDATION FUND	\$208.00
NATIONAL GUARD TRUST FUND	\$8,980.47
NATIONAL MULTIPLE SCLEROSIS SOCIETY FUND	\$985.95
ORGAN DONOR PROGRAM TRUST FUND	\$12,916.77

PEDIATRIC CANCER RESEARCH FUND	\$2,714.00
SOLDIERS MILITARY MUSEUM TRUST FUND	\$37.00
VETERANS TRUST FUND	\$32,540.57
WORKERS MEMORIAL TRUST FUND	\$1,991.00
<b>Total</b>	\$195,824.30

It is unknown if or how much may be collected for the fund. The Department notes that any money collected from taxpayers is considered taxpayer's money and would be distributed into the required fund. The money in the fund is not considered state revenue and does not impact Total State Revenue (TSR).

This proposal allows the Department of Revenue to retain a portion of the amount collected from corporations to cover any costs for administration and handling. The Department notes it has not retained any money from existing checkoffs as they have been able to absorb the costs using existing resources.

The Department believes they can absorb the collection of this checkoff with existing resources if the amount collected remains in line with other checkoff programs.

This will require the Department to add another checkoff box on the tax returns forms and to modify the website with information about the Fund. The Department assumes it can make these changes using their existing resources.

#### Sections 301.020 & 302.171 Collection of Missouri Medal of Honor Recipients Funds

This proposal establishes a procedure for applicants registering their vehicles or getting a driver's license to donate a \$1 to the Missouri Medal of Honor Recipients Fund. The Department is required to ask citizens if they would like to contribute at the time of their transaction. The Department is allowed to retain no more than 1% of the fee to cover administrative costs.

For informational purposes, the Department notes in FY 2020 there were 1,512,964 motor vehicles registered and 1.4 million transactions involving driver's and non-drivers licenses. Currently the Department is required to ask all these citizens about contributing to the Blindness Education, Screening and Treatment Fund as well as the Organ Donation Fund.

Blindness Awareness Fund	\$87,822
Organ Donor Fund	\$125,644

It is unknown if or how much may be collected for the fund. The Department notes that any money collected from taxpayers is considered taxpayer's money and would be distributed into the required fund. The money in the fund is not considered state revenue and does not impact TSR.

The Department per statute is allowed to retain a 1% collection fee from this current funds but has chosen not to. The Department assumes it will not take the 1% fee from the Medal of Honor Recipients Fund as long as the donation amounts remain in line with the current programs.

#### Administrative Impact

Since this proposal requires that each citizen be asked about participation in the fund, the computer programs for registration and driver's licenses will need to be programmed to ask the questions.

To implement the provisions of this section, the Department would be required to:

- Create a new fund in SAMII for the Missouri Medal of Honor Recipients Fund and define distribution requirements;
- Create a new MTAS code in the amount of \$1.00 for the new donation;
- Update policies, procedures, and the Uniform License Issuance Manual (ULIM);
- Update forms, manuals, and the Department website;
- Complete business requirements and design documents to modify the Missouri Electronic Driver License (MEDL) issuance system, MEDL central application and supporting applications;
- Complete programming and user acceptance testing of the Missouri Electronic Driver License (MEDL) issuance system; and
- Train staff.

#### FY 2022 – Driver License Bureau

Research/Data Assistant	320hrs. @ \$15.98 per hr.	= \$5,114
Research/Data Analyst	320hrs. @ \$23.82 per hr.	= \$7,622
Administrative Manager	80 hrs. @ \$22.24 per hr.	= \$1,779
Total		\$14,515

#### FY 2022 – Personnel Services Bureau

Associate Research/Data Analyst	80 hrs. @ \$19.09 per hr.	= \$1,527
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**Total Costs**

**\$16,042**

Additional form and instruction changes as well as website changes can also be expected.

**Oversight** assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated on the fiscal note.

**DOR** notes OA-ITSD services will be required at a cost of **\$38,680** in FY 2022 (407 hours x \$95 per hour).

**Oversight** does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will reflect DOR's OA-ITSD costs on the fiscal note.

In response to a similar proposal from 2021 (HS for HB 152), officials from the **Missouri Department of Transportation (MoDOT)** assumed the following regarding this proposal:

Requiring MoDOT to post links on its website to biographical information of any persons honored with designations on the state highway system would impose new tasks onto the Department. However, MoDOT anticipates being able to use existing staff time and resources to populate the data system with researched information on the existing memorials designated on the state highway system.

The fiscal impact of this legislation would be from MoDOT waiving the current participation fee for deceased Medal of Honor recipients. MoDOT charges \$4,000 for participation in the memorial highway and bridge program currently.

MoDOT notes, according to the Congressional Medal of Honor Society, 97 Missourians have been awarded the Congressional Medal of Honor, and two are alive today. There are currently four Medal of Honor memorial highways in Missouri.

**Oversight** notes the House Committee Substitute creates a fund named the Missouri Medal of Honor Fund, which is to pay for the costs of the signs as well as maintenance and repair to the signs. Therefore, Oversight assumes MoDOT will not incur any costs for these signs.

Oversight will reflect an "Unknown" amount of revenue donated to the newly created Missouri Medal of Honor Fund. Based on current donation levels indicated by DOR, Oversight assumes the amount of revenue into the new fund will be less than \$250,000.

In response to a similar proposal from 2021 (HS for HB 152), officials from the **Office of the State Treasurer** assumed the proposal would have no fiscal impact on their organization.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

§§227.450 – 227.807 – Memorial Infrastructure Designations

In response to similar proposals from 2021, officials from the **Missouri Department of Transportation** assumed these proposals would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.



<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
<b>GENERAL REVENUE FUND</b>			
<u>Cost</u> – DOR – system program changes p. 6	<u>(\$38,680)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$38,680)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>MISSOURI MEDAL OF HONOR RECIPIENTS FUND</b>			
<u>Revenue</u> – donations by tax payers §143.1032 & §301.020 p. 4 & 5	Unknown	Unknown	Unknown
<u>Costs</u> – MoDOT – memorial signs (including erection, maintenance and repair)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON THE MISSOURI MEDAL OF HONOR RECIPIENTS FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

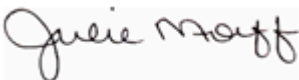
FISCAL DESCRIPTION

The proposed legislation contains provisions relating to memorial highway designations.

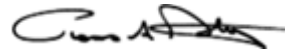
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Department of Transportation  
Department of Revenue  
Office of the State Treasurer



Julie Morff  
Director  
May 5, 2021



Ross Strobe  
Assistant Director  
May 5, 2021