

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0742S.03T  
Bill No.: Truly Agreed To and Finally Passed CCS for SS for SB 28  
Subject: Agriculture; Consumer Protection; Federal - State Relations; Licenses - Driver's;  
Licenses - Motor Vehicle; Licenses - Motor Vehicle; Military Affairs; Motor  
Vehicles; Department of Revenue; Roads and Highways; Transportation; Veterans  
Type: Original  
Date: June 23, 2025

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Bill Summary: This legislation modifies provisions relating to transportation.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
General Revenue	(\$89,389)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$89,389)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
Motor Vehicle Administration Technology Fund (0696)	\$0 to \$1,223,336	\$0 to \$1,223,336	\$0 to \$1,223,336
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0 to \$1,223,336</b>	<b>\$0 to \$1,223,336</b>	<b>\$0 to \$1,223,336</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§32.056 – Confidential Driver Records**

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

Proposed language expands the persons eligible to request to have their driver and motor vehicle records marked to prohibit release of personal information to include active and retired persons in eligible occupations and such person's immediate family members.

#### **Administrative Impact**

The proposed change will require a modification to the current request form and related policies and procedures for processing such requests. This change will not require any system modifications in the current driver license system environment.

#### **FY 2026 - Driver License Bureau**

Research/Data Analyst 15 hrs. @ \$28.75 per hr. =\$431  
Administrative Manager 10 hrs. @ \$31.21 per hr. =\$312

#### **FY 2026 - Strategy and Communications Office**

Associate Research/Data Analyst 10 hrs. @ \$23.04 per hr. =\$230  
Associate Research/Data Analyst 10 hrs. @ \$23.15 per hr. =\$232

#### **FY 2026 - Motor Vehicle Bureau**

Research/Data Analyst 15 hrs. @ \$28.89 per hr. =\$433  
Administrative Manager 10 hrs. @ \$31.36 per hr. =\$314

**Total = \$1,952**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs DOR could request funding through the appropriation process. Officials from the DOR assume the proposal will have no fiscal impact on their organization.

Officials from the **Department of Corrections** assume the proposal will 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.

#### §301.140 – Temporary License Plates

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

##### *Administrative Impact*

To implement the proposed legislation the department will be required to:

- Create/update procedures, training manuals, notices, and forms;
- Update the Missouri Titling Manual and dealer manual;
- Send communications to contracted license offices and other contracted stakeholders;
- Train internal and contract license office staff.

This will have a minimal impact that the Department will absorb.

Fusion = **\$22,500**

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the FUSION cost as provided by DOR.

#### §§301.010 & 307.010 – Cotton Trailers

Officials from the **Missouri Department of Transportation, Missouri Department of Agriculture, the Missouri Highway Patrol and Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

#### §301.448 – Military Specialty Plates

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

##### *Administrative Impact*

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

- Update charts, procedures and the Department website

- Update the Application for Missouri Personalized and Special License Plate (DOR-1716 and DOR-4601)

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 60 hrs. @ \$26.03 per hr. = \$1,562

Research/Data Analyst 20 hrs. @ \$27.87 per hr. = \$557

Administrative Manager 10 hrs. @ \$35.10 per hr. = \$351

FY 2026– Strategy and Communications Office

Associate Research/Data Analyst 60 hrs. @ \$26.03 per hr. = \$1,562

Research/Data Analyst 20 hrs. @ \$27.87 per hr. = \$557

Administrative Manager 10 hrs. @ \$35.10 per hr. = \$351

Overall Total = **\$4,940**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process. Officials from the DOR assume the proposal will have no fiscal impact on their organization.

Officials from the **Missouri Veterans Commission** and **Missouri National Guard** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

§301.469 – Missouri Conservation Heritage Foundation Specialty Plates

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

Administrative Impact

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

- Update charts, procedures and the Department website
- Update the Application for Missouri Personalized and Special License Plate (DOR-1716)
- Complete programming and user acceptance testing for identified systems

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 80 hrs. @ \$26.03 per hr. = \$2,082

Research/Data Analyst 20 hrs. @ \$27.87 per hr. = \$557

Administrative Manager 10 hrs. @ \$30.25 per hr. = \$302

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$22.33 per hr. = \$893

**Total costs: \$3,834**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the General Assembly in 2020 (SB 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

**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 **\$22,339** in FY 2025 (212.76 hours x \$105 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.

Officials from the **Missouri Department of Conservation** assume the proposal will 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 for this agency.

§301.558 – Trailer Dealers

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

Administrative Impact

To implement the proposed legislation the department will be required to:

- Create new procedures, training manuals, notices, and forms
- Update procedures, forms, and correspondence
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 100 hrs. @ \$26.03/hr. = \$2,603

Research/Data Analyst 60 hrs. @ \$27.87/hr. = \$1,672

Administrative Manager 30 hrs. @ \$35.10/hr. = \$1,053

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 100 hrs. @ \$26.03/hr. = \$2,603

Research/Data Analyst 50 hrs. @ \$27.87/hr. = \$1,394

Total = **\$9,325**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

Fusion = **\$45,000**

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the FUSION cost as provided by DOR.

Revenue Impact

In FY 2024, there were 202,386 trailers titled in Missouri. The department is unable to determine which trailer dealers would opt in to charging an administrative fee. The maximum administrative fee, according to §301.558.4, increases annually by an amount equal to the percentage change in the annual average of the Consumer Price Index for All Urban Consumers. Presently, the administrative fee cannot exceed \$604.47.

For calculating fiscal impact, DOR assumes that they will see similar registration figures in future years, that roughly 10% of these registrations will have an administrative fee, and that this fee will be at the current maximum value. From there, DOR can expect 10% of the fee to be distributed to the Motor Vehicle Administrative Technology Fund until development of the modernized, integrated system.

Number of Trailers	Fee Charged	Total Fee	Amount to Motor Vehicle Administrative Technology Fund	Total
202,386	10%	\$604.47	10%	\$1,223,336

The Department projects an increase of \$1,223,336 in funds deposited into the Motor Vehicle Administrative Technology Fund. Please note that this figure is an estimate and may not reflect actual funds collected.

**Oversight** assumes there could be an increase in revenue to the Motor Vehicle Administration Technology Fund due to trailer dealers being able to charge an administrative fee on sales; therefore, Oversight will reflect a \$0 (no trailer dealers opt in to charge the administrative fee) to “Up to \$1,223,336” (some or all trailer dealers opt in to charge the administrative fee).

#### §407.1034 - Vehicle Franchisors

Officials from the **Department of Revenue (DOR)** assume the proposed language adds additional conditions in which a franchise agreement can be terminated. Additionally, language “repurchase” and “pay to the franchisee” has been added to subsections to clarify the intend of these sections.

#### Administrative Impact

To implement the proposed language, the Department of Revenue would be required to:

- Update procedures, correspondence letters, forms, and the Department website.
- Update the Dealer and Business operating manual.
- Send communications to Missouri dealers.
- Send communications to stakeholders as applicable.

#### FY 2026 – Strategy & Communications Office

Associate Research/Data Analyst 20 hrs. @ \$26.03/hr. =\$521

Research/Data Analyst 20 hrs. @ \$27.87/hr. =\$557

Total = **\$1,078**

**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.



Officials from the **Department of Commerce and Insurance, Missouri Department of Transportation, Department of Public Safety – Missouri Highway Patrol, Office of the Secretary of State, and Office of Administration** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>GENERAL REVENUE FUND</b>			
<u>Cost – DOR – FUSION (§§301.140 &amp; 301.558) p. 4, 7</u>	(\$67,500)	\$0	\$0
<u>Cost – DOR – OA-ITSD costs p. 6</u>	(\$22,339)	\$0	\$0
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$89,839)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>MOTOR VEHICLE ADMINISTRATION TECHNOLOGY FUND (0696)</b>			
<u>Revenue – potential administrative fees charged by trailer dealers (§301.558) p. 7-8</u>	\$0 to <u>\$1,223,336</u>	\$0 to <u>\$1,223,336</u>	\$0 to <u>\$1,223,336</u>
<b>ESTIMATED NET EFFECT ON THE MOTOR VEHICLE ADMINISTRATION TECHNOLOGY FUND</b>	<b><u>\$0 to \$1,223,336</u></b>	<b><u>\$0 to \$1,223,336</u></b>	<b><u>\$0 to \$1,223,336</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

#### FISCAL IMPACT – Small Business

Small motor vehicle franchisors and dealers could be impacted as a result of this proposal.

## FISCAL DESCRIPTION

This act modifies provisions relating to transportation.

### CONFIDENTIALITY OF CERTAIN MOTOR VEHICLE AND DRIVER REGISTRATION RECORDS (Section 32.056)

Under current law, the Department of Revenue is prohibited from releasing the home address or vehicle information of certain members of law enforcement or the judiciary. This act specifies that the prohibition also applies to these individuals once they have retired.

### COTTON TRAILERS (Sections 301.010 and 307.010)

This act increases, from 40mph to 70mph, the maximum speed at which cotton trailers may travel, and repeals a requirement that cotton trailers be used exclusively for transporting cotton.

The act also provides that cotton trailers shall not be in violation of the law regulating the securing of loads provided that certain conditions are met, no portion of the load becomes dislodged and falls from the cotton trailer, and the goods or material is secured in a manner specified in the act.

### TEMPORARY LICENSE PLATES (Section 301.140)

This act repeals a provision allowing for vehicle dealers to issue a 90-day, rather than 30-day, temporary license plate if the vehicle is a prior trade-in sold subject to an existing lien.

The act also requires payment of applicable sales tax prior to issuance of temporary license plates, effective upon implementation of the Department of Revenue's electronic vehicle titling and registration system.

### MILITARY SPECIAL LICENSE PLATES (Section 301.448)

This act modifies the statute establishing special license plates for current and former members of the Armed Forces by listing specific branches of the Armed Forces, and the National Guard, rather than specifying the plates may be issued with regard to "any branch of the United States Armed Forces".

## MISSOURI CONSERVATION HERITAGE FOUNDATION SPECIAL LICENSE PLATES (Section 301.469)

This act modifies the application process for Missouri Conservation Heritage Foundation special license plates by specifying that application and payment for the required emblem-use authorization may be made to the Director of the Department of Revenue at the time of vehicle registration.

## VEHICLE DEALER ADMINISTRATIVE FEES (Section 301.558)

This act adds trailers and trailer dealers to the statute allowing for certain vehicle dealers to charge administrative fees in connection with the sale or lease of a vehicle.

The act also increases, from 1% to 3.5%, the percentage of the administrative fees to be remitted to the Department of Revenue for maintenance of the Department's electronic vehicle titling and registration system.

## POWERSPORT DEALER FRANCHISE PRACTICES (Section 407.1034)

This act requires motorcycle and all-terrain vehicle franchisors to compensate franchisees as specified in the act if a franchise is terminated for cause or by the franchisee, or if the dealer's market area is eliminated or diminished.

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  
Missouri Highway Patrol  
Missouri Department of Conservation  
Missouri Veterans Commission  
Missouri National Guard  
Department of Commerce and Insurance  
Missouri Department of Agriculture  
Office of Administration  
Office of the Secretary of State  
Department of Corrections



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