

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO. 2587-03
BILL NO. Perfected SCS for SB 538 & 565
SUBJECT: Motor Vehicle Public Records
TYPE: Original
DATE: April 19, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Highway Fund	(\$278,054)	(\$286,787)	(\$288,080)
Total Estimated Net Effect on <u>All</u> State Funds	(\$278,054)	(\$286,787)	(\$288,080)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	(\$65,000)	(\$78,000)	(\$78,000)

Numbers within parentheses: () indicate costs or losses
This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

The **Department of Insurance** and the **Department of Public Safety-Highway Patrol** do not expect to be affected, administratively.

The **Department of Transportation (MoDOT)** assumes this proposal would reduce the amount of funds credited to the State Highways and Transportation Fund because of the reduction in the amount of income received from the sale of motor vehicle and driver's license records. The MoDOT concurs with the Department of Revenue's response to this proposal.

Officials of the **Department of Revenue (DOR)** stated that presently, the DOR asks the individual at the time of driver's license or motor vehicle transaction if he/she desires to restrict their personal information on the DOR computer files. This proposal will require closure of all records, and require the owner of the personal information to give written permission to entities who do not already have a security access code to receive personal information. This proposal also closes "sensitive" information which includes the photograph, social security number, and medical/disability information except to government agencies, law enforcement, insurance companies, and employers of commercial drivers.

This proposal also prohibits the DOR from providing records to entities for bulk mailing.

Since implementing the provisions of SB 19, 63% of license applicants have chosen to restrict access to the personal information contained on their driver's license and motor vehicle records.

Drivers License Bureau -The Driver's License Bureau receives approximately 1.5 million requests for driver records through the Electronic Driver Record System. This proposal will automatically close the 1.3 million records that are currently open on the Driver License System. Of these, the Drivers License Bureau assumes 6.6%, or 99,000 requests, will require written consent from the record holder to allow disclosure of personal information. Of these, the Drivers License Bureau assumes 33% (of the 99,000 requests) will contain the written consent form, or 33,000. The Drivers License Bureau will require 1 FTE to manually verify the consent form, microfilm the consent form, prepare additional correspondence regarding incomplete request forms, and handle additional phone calls relating to this process. This bureau will require approximately \$15,000 for required forms changes and information pamphlets and flyers to educate the public of the new changes in the disclosure/restriction of driver records. This bureau will also require approximately \$5,000 for programming changes required to the OTC system. Programming modifications are required to be completed the current contract vendor and it is estimated it will take approximately 40 hours of programming.
40 x \$125 per hour contract price = \$5,000

ASSUMPTION (continued)

Motor Vehicle Bureau - This bureau will require the services of 1 FTE and associated equipment and expenses to implement the provisions of this proposal. This bureau will require \$6,516 for form modifications, policy revisions and postage. The Field Automated System for Titling and Registration will also require changes in edits, screen changes and testing requirements. It is estimated that those modifications will cost approximately \$100,000.

Information Technology and Management Bureau -To implement the provisions of this proposal extensive programming modifications must be made to the Drivers License and General Registration Computer Systems. This will entail programming, unit testing, system testing, implementation and documentation. To accommodate these modifications, this Division will incur State Data Center (SDC) costs in the amount of \$7,439.

REVENUE IMPACT

As the provisions of this proposal require the written permission of the record holder to accompany the request for a driver or motor vehicle record, it is anticipated that the Information Fund will lose approximately \$312,000 dollars for records sold to bulk mailers.

Oversight assumes that conversion from electronic to manual systems would be accomplished with existing personnel, except for programming changes required to be performed by Polaroid, Inc. on the OTC system. Costs have been adjusted to adhere to Office of Administration guidelines.

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		
HIGHWAY FUND			
<u>Costs-Department of Revenue (DOR)</u>			
Personal Service (2 FTE)	(\$32,420)	(\$39,877)	(\$40,874)
Fringe Benefits	(\$9,969)	(\$12,262)	(\$12,569)
Expense and Equipment	(\$6,710)	(\$618)	(\$637)
Forms and Postage	(\$21,516)	\$0	\$0
State Data Center Costs	(\$7,439)	\$0	\$0
OTC Programming by Polaroid, Inc.	(\$5,000)	\$0	\$0
Total <u>Costs</u> -DOR	(\$83,054)	(\$52,757)	(\$54,080)

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<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
(Continued)	(10 Mo.)		
HIGHWAY FUND			
<u>Loss-Department of Transportation (DHT)</u>			
Reduced Income from DOR Information Fund Transfers	(\$195,000)	(\$234,000)	(\$234,000)
ESTIMATED NET EFFECT ON HIGHWAY FUND	<u>(\$278,054)</u>	<u>(\$286,757)</u>	<u>(\$288,080)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2001	FY 2002	FY 2003
	(10 Mo.)		
POLITICAL SUBDIVISIONS			
Cities	(\$39,000)	(\$46,800)	(\$46,800)
Counties	(\$26,000)	(\$31,200)	(\$31,200)
NET EFFECT ON POLITICAL SUBDIVISIONS	<u>(\$65,000)</u>	<u>(\$78,000)</u>	<u>(\$78,000)</u>

FISCAL IMPACT - Small Business

This proposal would not have a direct fiscal impact on small businesses.

DESCRIPTION

Personal information in motor vehicle and driver's license records shall be presumed to be closed instead of open to the public. Current law requires individuals to request their information be private. This proposal would require them to choose if it is public. Personal information in motor vehicle and driver's license records shall be available to law enforcement personnel, insurance investigators, automobile manufacturers, and creditors in relation to titles.

This proposal also eliminates the bulk disclosure of motor vehicle and driver's license records by the Department of Revenue.

This proposal also allows the Director or Revenue to allow the issuance and/or renewal of motor vehicle registrations by electronic means.

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DESCRIPTION (continued)

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

SOURCES OF INFORMATION

Department of Revenue
Department of Insurance
Department of Transportation
Department of Public Safety
Missouri Highway Patrol



Jeanne Jarrett, CPA
Director
April 19, 2000