

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 2750-01
BILL NO.: SB 683
SUBJECT: Construction Zones
TYPE: Original
DATE: January 10, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
State Road Fund	(\$100,000)	(\$100,000)	(\$100,000)
Total Estimated Net Effect on <u>All</u> State Funds	(\$100,000)	(\$100,000)	(\$100,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
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	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Transportation (MoDOT)** assume that the legislation would require two additional warning signs in each work zone if the additional fine is to be applied. Initially, MoDOT will purchase signs for all construction work zones, which would cost approximately \$40,000 per year for phase in acquisitions over three years. Purchases of signs for maintenance work zones would cost an additional \$60,000 per year to phase in over three years. Officials also assume the legislation would create a cost savings for MoDOT through the reduction of injuries and related expenses. MoDOT cannot estimate a yearly savings due to the unknown severity that each potential accident has. However, MoDOT's Risk Management Division estimates that the proposal would prevent at least one serious accident per year, which they estimate should negate any costs related to purchasing warning signs. MoDOT officials note that in response to similar proposals in prior years, they did not consider the issue of cost savings due to increased safety and reduced injury expenses; however, they note this should be included to completely and accurately consider the effects of the proposal on the department.

Oversight notes that costs assumed by MoDOT for the same proposal in the prior year were \$220,000 in the first fiscal year, assuming 550 construction work zones annually, two signs per work zone, and costs of \$200 per sign. They assumed that the life of the signs would be three years, after which signs would be replaced. According to MoDOT officials, they assumed in the prior year that all signs would be purchased and installed immediately upon the proposal's effective date, whereas they are currently assuming that they would implement the requirements over a three-year period. Based on the current costs shown above of \$100,000 per year assuming a phase-in, if all signs were purchased and installed as soon as practical after the proposal's effective date, total costs would be \$300,000 for the first year, with no other annual costs during the fiscal note period (assuming replacement of signs after three years). According to MoDOT officials, the higher sign cost is due to the estimates in the prior year not allowing for the right type of posts required to install the signs. For fiscal note purposes, Oversight has reflected annual costs of \$100,000, representing MoDOT's intention to install the required signs over a three-year period. No cost savings are reflected, since any savings that may result, if any, are unknown and could be addressed through the normal budget process.

Officials of the **Office of the State Courts Administrator** would not expect any appreciable increase in the volume of traffic cases presented. They note it is not possible to predict any increased revenue to the school fund as a result of the higher fines.

ASSUMPTION (continued)

Officials of the **Department of Public Safety - Missouri Highway Patrol, State Public Defender, Office of Prosecution Services, Department of Revenue, and the Office of the Attorney General.**

Oversight assumes that over time the combination of increased fines and signs placed by MoDOT would result in fewer violations and any impact on revenues in the form of increased fines would likely be minimal. Therefore, no revenue impact to the state or local governments, due to fines, is reflected in the fiscal note.

	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>FISCAL IMPACT - State Government</u>			

STATE ROAD FUND

<u>Costs-Department of Transportation</u>			
Placement of signs	<u>(\$100,000)</u>	<u>(\$100,000)</u>	<u>(\$100,000)</u>

	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>FISCAL IMPACT - Local Government</u>			
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

The proposal would require that a \$250 fine, in addition to any other fine authorized to be imposed by law, be imposed on any person convicted of speeding in a posted construction zone while workers are present. MoDOT would be required to erect signs around a construction or work zone which are clearly visible and which state "Warning: \$250 fine for speeding in this work zone."

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

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Department of Transportation
Department of Public Safety - Missouri Highway Patrol
Office of State Courts Administrator
State Public Defender
Office of Prosecution Services
Department of Revenue
Office of the Attorney General

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized and cursive.

Jeanne Jarrett, CPA
Director
January 10, 2000