

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3722-01
Bill No.: SB 919
Subject: Licenses-Professional; Motor Vehicles; Revenue Dept
Type: Original
Date: January 28, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR), Division of Motor Vehicle and Drivers Licensing** assume that DOR's responsibility is to only approve the training classes required and to notify the dealers of the class requirement quarterly (class dates and times). This fiscal analysis is based on the assumption that DOR would not develop the training and/or printed materials, hold the training or print the materials. If this is not the sponsor's intent, there would be a cost associated with these issues and the department would require additional funding as appropriate.

Based on the assumption that the Motor Vehicle Bureau (MVB) would only notify dealers of the training requirement, the MVB would prepare 4 mailings per year and notify the dealers of the dates and times of the classes. Currently, we have approximately 4,500 used automobile dealers (4500 x 4 = 18,000 notifications). This will require 75 hours of overtime for a Senior Office Support Assistant - (Clerk Typist III) to develop, prepare and mail this notification to dealers on an annual basis and to review and approve training classes as required by this proposal.

The Motor Vehicle Bureau would also incur costs for 4 mailings per year including the form, envelopes and postage. Cost for FY03 = \$3,960 (6 months) FY04 = \$8,158 FY05 = \$8,403.

To implement this legislation, the Department of Revenue will require additional funds. In the past, the programs included in this legislation have been paid for with highway funds. This year, however, highway funds may not be available for this purpose as a result of legislation enacted by the General Assembly in 2000 that limits the use of highway funds.

If highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

Oversight assumes the DOR could absorb the costs to develop, prepare, and mail the notifications to the dealers and to review the approved training classes as required by this proposal.

Officials from the **Missouri State Highway Patrol** and the **Office of the Attorney General** assume there would be no fiscal impact to their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposal would directly impact small businesses involved in the sale of used motor vehicles.

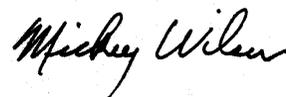
DESCRIPTION

This act requires used motor vehicle dealers to attend a six-hour educational seminar in order to obtain or renew a used motor vehicle dealer's license. The educational seminar will be sponsored by a nonprofit corporation which presents seminars focusing on the enhancement of knowledge and competence of used motor vehicle dealers.

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 Highway Patrol
Office of the Attorney General
Department of Revenue
Division of Motor Vehicle and Drivers Licensing



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