

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2510-01
Bill No.: HB 770
Subject: Motor Vehicles, Transportation
Type: Original
Date: January 12, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Public Safety – Missouri State Highway Patrol, Office of State Courts Administrator, Department of Insurance, Department of Transportation, Department of Revenue** and the **Office of State Public Defender** assume this proposal would have no fiscal impact on their agencies.

Officials with the **Office of Prosecution Services** assume they could absorb any fiscal impact associated with this proposal.

Officials with the **Department of Mental Health (DMH)** assume this proposal could require only individuals under the age of 21 to wear protective headgear while operating a motorcycle or motortricycle. The DMH assumes this would not result in an increase in the number of persons served by the Division of Mental Retardation and Developmental Disabilities because persons who are over the age of 22 when they obtain a head injury are not eligible for Division services.

ASSUMPTION (continued)

Officials with the **Department of Health and Senior Services (DHSS)** assume 1000 motorists over the age of twenty are in motorcycle crashes each year. Of those 1000, approximately 9 motorists could have a head injury and need extended care or rehabilitation and would have no insurance or Medicare/Medicaid. These persons could be eligible for the Head Injury Program. The DHSS estimates the average cost per client served by the DHSS Bureau of Special Health Care Needs to be \$7,000 per year.

Officials with the **Department of Social Services (DOS) – Division of Medical Services** assume there could be an estimated 9 uninsured head injury cases due to the elimination of the helmet law for persons age 21 and over. If these individuals qualify for Medicaid as permanently and totally disabled (PTD) clients, the annual cost to the program could range from \$0 to \$395,946. (An estimate of the head injury cases is provided to the DOS by the Department of Health and Senior Services).

FY 05 (10 months) -Cost

Head Injury Program (9*\$7000)*.833	\$52,479
Medicaid PTD	<u>\$0 to \$329,955</u>
Total Cost	\$0 to \$329,955

FY 06 -Cost

Head Injury Program (*\$5000)	\$63,000
Medicaid PTD with growth	<u>\$0 to \$413,764</u>
Total Cost	\$0 to \$413,764

FY 07 Cost

Head Injury Program (*\$5000)	\$63,000
Medicaid PTD with growth	<u>\$0 to \$432,383</u>
Total Cost	\$0 to \$432,383

Oversight notes that in response to a similar proposal in a previous session, DHSS stated that data indicates an additional 7 persons could be eligible for the Head Injury Program as a result this proposal. However, nothing in the statute or regulation requires the DHSS to include these individuals in its Head Injury Program.

ASSUMPTION (continued)

Oversight assumes as a result of this proposal, some people over 21 could choose not to wear protective headgear. Accordingly, there may be an increase in injuries or the severity of injuries to motorcyclists not wearing protective headgear which may **indirectly** result in increased costs to the state. Oversight assumes no **direct** fiscal impact to state and local governments from the protective headgear exemption part of this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<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.


DESCRIPTION

This bill requires all motorcycle operators and passengers under the age of 21 to wear helmets.

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

Office of State Courts Administrator
Department of Transportation
Department of Mental Health
Department of Health and Senior Services
Department of Revenue
Department of Social Services
Department of Public Safety
 – Missouri State Highway Patrol
Department of Insurance
Office of Prosecution Services
Office of State Public Defender



Mickey Wilson, CPA
Director
January 12, 2004