

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3868-02  
Bill No.: HB 1408  
Subject: Licenses – Motor Vehicles; Motor Vehicles; Revenue Dept.  
Type: Original  
Date: March 2, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
Highway Fund	(\$40,000) to Unknown	(\$165,130) to Unknown	(\$135,142) to Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$40,000) to Unknown</b>	<b>(\$165,130) to Unknown</b>	<b>(\$135,142) to Unknown</b>

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials with the **Office of State Courts Administrator and Department of Transportation** assume this proposal would have no fiscal impact on their agencies.

Officials with the **Department of Revenue (DOR) – Driver and Vehicle Services Bureau (DVSB)**, after consultation with officials from the **City of St. Louis**, indicated that an estimated 30,000 violations would be reported to DOR annually under this act. To process such violations and administer the procedures, DOR would be required to add two Telephone Information Operators and two Office Support Assistants along with the necessary equipment and expenses. DVSB will require associated forms and postage for 30,000 notices and the corresponding reinstatements.

DVSB recommends to the Director of Revenue setting a reinstatement of \$20 and projects revenues from this act totaling \$300,000 per year (to be divided, as per statute: 75% to Highway Fund, 15% to cities, 10% to counties) based upon that recommendation. **Oversight** assumes that the Director of Revenue may or may not establish a reinstatement fee and, if so, ultimate fee amount is unknown. Therefore, the amount of revenue to be generated is unknown.

ASSUMPTION (continued)

**Oversight** assumes that this act would result in an increase in revenue for the City of St. Louis, as motorists seeking to maintain motor vehicle registration would be more likely to pay city fines. The exact amount cannot be determined. **Oversight** further assumes that if a reinstatement is levied by the Director of Revenue, cities and counties, by statute entitled to receive—respectively—15% and 10% of such fees would see an increase in revenues, as well. Again, the amount is unknown, as the amount of the reinstatement fee, if any, would be at the discretion of the Director of Revenue.

**Oversight** assumes that while many St. Louis offenders may reside and register their automobiles in different cities or counties, the disproportionate majority would reside in the City of St. Louis, which would gain the most revenue from the reinstatement fees.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>HIGHWAY FUND</b>			
<u>Income – DOR</u>			
Reinstatement Fees	<u>unknown</u>	<u>unknown</u>	<u>unknown</u>
<u>Cost – DOR</u>			
Salaries and Fringe Benefits	(\$40,000)	(\$127,356)	(\$130,540)
Office Fixtures and Supplies	\$0	(\$18,794)	(\$4,872)
Procedures, Forms, and Envelopes	\$0	(\$2,179)	\$0
Postage	<u>\$0</u>	<u>(\$16,801)</u>	<u>\$0</u>
<u>Total Cost – DOR</u>	(\$40,000)	(\$165,130)	(\$135,412)
<b>NET ESTIMATED EFFECT ON HIGHWAY FUND</b>	<b>(\$40,000) to <u>Unknown</u></b>	<b>(\$165,130) to <u>Unknown</u></b>	<b>(\$135,142) to <u>Unknown</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<u>Income – City of St. Louis</u>			
Increase in Fine/Fee Collections	Unknown	Unknown	Unknown
<u>Income – Various Cities and Counties</u>			
Reinstatement Fees	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<u>Total Income – Local Government</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

#### FISCAL IMPACT - Small Business

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

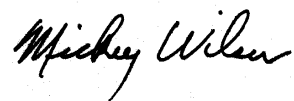
#### DESCRIPTION

This act allows the Director of Revenue to refuse to issue or renew motor vehicle registration if the owner of a motor vehicle owes vehicle-related fees or fines to any city not within a county. At present, the City of St. Louis is the only city whose fee and fines would be affected.

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

Department of Revenue (DOR) – Driver and Vehicle Services Bureau (DVSB)  
Office of State Courts Administrator  
Department of Transportation



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