

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0852-01
Bill No.: HB 307
Subject: Children and Minors; Motor Vehicles
Type: Original
Date: February 21, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
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 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Public Safety – Missouri State Highway Patrol, – Director’s Office, 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 from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials with the **Office of Prosecution Services** assume the proposal would not have a significant direct fiscal impact on county prosecutors.

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. Officials assume no fiscal impact.

ASSUMPTION (continued)

Officials with the **Department of Health and Senior Services (DHSS)** estimate the increase in head injured motorcyclists age 21 and over if the law is repealed for this age group to be 130 individuals. Of the current head injured motorcyclists, 21% had a discharge disposition of extended care or rehabilitation. 32.4% of this group had no insurance or government insurance (Medicaid, Medicare, etc.). Based on these percentages, DHSS estimates 9 additional head injured individuals who will need extended care or rehabilitation and have no insurance or government insurance. These persons could be eligible for the Head Injury Program. The DHSS estimates the average cost per client served by the DHSS Adult Head Injury Program to be \$7,000 per year. DHSS estimates an extra \$63,000 per year for rehabilitative services and service coordination. The average stay in the program is 2.5 years.

Oversight assumes statutes or regulations would not require the DHSS to include these individuals in its Head Injury Program.

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 \$399,510. (An estimate of the head injury cases is provided to the DOS by the Department of Health and Senior Services). The annual cost estimate is based on inpatient hospital charges, rehabilitation, and ongoing medical costs. DOS estimates the annual cost as follows:

Inpatient Hospital Charge	
(Additional charge for unhelmeted)	\$5,186
Rehabilitation Cost – 30 days	\$23,640
Ongoing Medical Costs	<u>\$15,564</u>
Total Cost Per Individual	<u>\$44,390</u>
Total Cost for 9 Individuals	<u><u>\$399,510</u></u>

DOS estimates the annual cost of the proposal to be \$0 to \$399,510 in FY 06. An inflation forecast of 4.5% was applied to FY 07 and FY 08 bringing the cost estimate range to \$0 to \$417,488 and \$0 to \$436,275, respectively.

ASSUMPTION (continued)

Oversight assumes some people over 21 could choose not to wear protective headgear as a result of this proposal. 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.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<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.

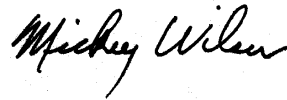
DESCRIPTION

The proposed legislation would exempt motorcyclists age 21 and older from wearing a helmet when operating a motorcycle or motortricycle. Under current law, everyone operating a motorcycle or motortricycle must wear a helmet.

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
 – Director's Office
Department of Insurance
Office of Prosecution Services
Office of the State Public Defender

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 21, 2005