

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1262-02
Bill No.: HB 518
Subject: Roads and Highways; Transportation; Department of Transportation
Type: Original
Date: March 1, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown
Total Estimated Net Effect on General Revenue Fund	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown	(Less than \$100,000) to Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
State School Moneys*	\$0	\$0	\$0
Work Zone Safety Trust**	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds*	\$0	\$0	\$0

* Offsetting savings and losses to State School Moneys Fund.

** Offsetting revenues and costs to Work Zone Safety Trust Fund.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 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

*** Local School Districts would have offsetting income from increase fines and losses from reduced distribution from State School Moneys Fund.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue, Department of Public Safety – Missouri State Highway Patrol, Office of the State Public Defender, and the State Treasurer’s Office** assume the proposal would have no fiscal impact on their agencies.

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

Officials from the **Office of State Courts Administrator (CTS)** assume the proposal would modify the law with respect to highway work zones, with increased penalties, and create the crime of endangerment of a highway worker. CTS assumes there may be some increase in the number of cases filed. CTS would not anticipate a fiscal impact on the judiciary from these provisions.

ASSUMPTION (continued)

The legislation also provides for a \$5.00 surcharge on all traffic violations to be paid into the Work Zone Safety Trust Fund, which is created in the bill. Based on FY 04 data, CTS anticipates the surcharge would produce approximately \$1,198,039 in any given year.

Officials from the **Department of Transportation (MoDOT)** assume a positive fiscal impact up to \$1,400,000 into the Work Zone Safety Trust Fund from a \$5.00 surcharge deposited in the fund for all traffic violations of the state. This fund is created for use by the Missouri Highways and Transportation Commission (MHTC).

Oversight has used the estimates provided by the Office of State Courts Administrator in determining the fiscal impact to the Work Zone Safety Trust Fund, and has reflected e10 months of revenue in FY 06. Oversight assumes offsetting revenues and costs in this fund.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume there is no state cost to the foundation formula associated with this bill. Should the new crimes and amendments to current law result in additional fines or penalties, DESE cannot know how much additional money might be collected by local governments or the DOR to distribute to schools. Any increase in this money distributed to schools becomes a deduction in the foundation formula the following year. Therefore the affected districts will see an equal decrease in the amount of funding received through the formula the following year; unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula with a proration factor of 1.00.

Officials from the **Department of Corrections (DOC)** assume, based on MoDOT statistics, 28 MoDOT employees were so injured in 2003, including 1 fatality, and 69 in 2004, including 2 fatalities. Penalty provisions in this proposal are for a class C felony when a fatality occurs, however it is assumed those perpetrators could presently be charge with either Involuntary Manslaughter – Vehicular Intoxicated or Assault II – Vehicular Injury, both punishable as a class C felony. DOC assumes at least a portion of the non-fatality injuries would be convicted of the newly defined class D felony (who wouldn't have previously been charged pursuant to existing law) and serve the average (for a class D felony) of 9.2 months in prison before parole.

The DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

ASSUMPTION (continued)

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY04 average of \$38.37 per inmate per day, or an annual cost of \$14,005 per inmate) or through supervision provided by the Board of Probation and Parole (FY03 average of \$3.15 per offender per day, or an annual cost of \$1,150 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Eight (8) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

The proposed legislation could increase total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE FUND			
<u>Savings</u> – Reduced appropriations to State School Moneys Fund	Unknown	Unknown	Unknown
<u>Costs</u> – Department of Corrections Incarceration/probation costs	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)	(Less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	(Less than \$100,000) to <u>Unknown</u>	(Less than \$100,000) to <u>Unknown</u>	(Less than \$100,000) to <u>Unknown</u>

STATE SCHOOL MONEYS FUND

<u>Savings</u> – Reduced distributions to local school districts	Unknown	Unknown	Unknown
--	---------	---------	---------

<u>Losses</u> – Reduced appropriations from General Revenue Fund	(Unknown)	(Unknown)	(Unknown)
--	-----------	-----------	-----------

ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
---	-------------------	-------------------	-------------------

WORK ZONE SAFETY TRUST FUND

<u>Revenues</u> – Department of Transportation Surcharge on traffic violations	\$998,366	\$1,198,039	\$1,198,039
---	-----------	-------------	-------------

<u>Costs</u> – Department of Transportation Enforcement of traffic laws	(\$998,366)	(\$1,198,039)	(\$1,198,039)
--	-------------	---------------	---------------

ESTIMATED NET EFFECT ON WORK ZONE SAFETY TRUST FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	-------------------	-------------------	-------------------

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

SCHOOL DISTRICTS

<u>Revenues</u> – Incomes from fines	Unknown	Unknown	Unknown
--------------------------------------	---------	---------	---------

<u>Losses</u> – Reduced distribution from State School Moneys Fund	(Unknown)	(Unknown)	(Unknown)
--	-----------	-----------	-----------

ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<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 change the laws regarding highway work zones. “Worker” or “highway worker” would be defined as any person who is working in a construction or work zone or any employee of the Department of Transportation working on a state highway or state highway right-of-way.

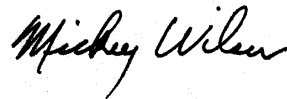
Any person guilty of a moving violation within a construction or work zone for the first offense would be subject to a \$35 fine and \$75 for a second or subsequent violation. A fine for speeding in a construction or work zone would be \$250 for the first offense and \$350 for a second or subsequent violation. Passing in a zone would be a class C misdemeanor. The proposal would establish the crime of endangerment of a highway worker and would specify the circumstances.

A \$5.00 surcharge would be assessed on all traffic violations in the state, to be deposited in the newly created Work Zone Safety Trust Fund. The Work Zone Safety Trust Fund would be used for funding enforcement of all traffic laws in construction or work zones.

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 Elementary and Secondary Education
Department of Transportation
Department of Corrections
Department of Revenue
Department of Public Safety
 – Missouri State Highway Patrol
Office of Prosecution Services
Office of the State Public Defender
State Treasurer's Office

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

Mickey Wilson, CPA
Director
March 1, 2005