

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3249-01
Bill No.: HB 1391
Subject: Children and Minors; Motor Vehicles; Public Safety Department
Type: Original
Date: January 30, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	\$0	Unknown	Unknown
Total Estimated Net Effect on General Revenue Fund	\$0	Unknown	Unknown

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
State School Moneys*	\$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 in FY 2008 and FY 2009.**

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government**	Unknown	\$0	\$0

**** Local School Districts would have offsetting income from increased fines and losses from reduced distribution from State School Moneys Fund in FY 2008 and FY 2009.**

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation (MoDOT)** stated if the legislation is enacted the state will be eligible to receive a federal Child Safety and Child Booster Seat Incentive grant through FY 2009. If the grant application submitted by the state is not approved the fiscal impact of the legislation would be zero. However, if the grant application is approved the state will be eligible for grant funding up to a maximum of \$850,000. The grant could be less than \$850,000 if other states become eligible for the grant by enacting similar laws. Therefore, MoDOT estimates a positive fiscal impact of the legislation to range from \$0 - \$850,000 per year.

Oversight assumes the receipt of federal incentive grant moneys resulting from this proposal is speculative and therefore, have not included the estimate in the fiscal note.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume there is no state cost to the foundation formula associated with this proposal. 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. To the extent fine revenues exceed 2004-2005 collections, any increase in this money

ASSUMPTION (continued)

distributed to schools increases the 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.

Several similar proposals from this year (HB 993, HB 1043, HB 1165 and SB 916) allow for violators to have the charges and fines resulting from this proposal be dismissed if they bring in or show supporting documentation that an appropriate child restraint system has been purchased. This proposal does not allow for such dismissal, therefore, **Oversight** will reflect an unknown amount of fine revenue collected by local law enforcement and court officials.

Oversight assumes the increased fine revenue will reduce the amount of school funding received from the State. SB 287 from 2005 changed the school funding formula, however, the deduction of fine revenue from the calculation is still in place since it is within the definition of “Local Effort”, and is adjusted annually. Therefore, **Oversight** assumes any increase in fine revenue received by the local school districts from this proposal will impact the amount of school funding received from the state in subsequent years.

Officials from the **Office of Prosecution Services** state the proposal will not have a significant direct fiscal impact on county prosecutors, although it may lead to an increase in prosecutions / caseloads.

Officials from the **Department of Revenue**, **Office of the State Public Defender** and the **Department of Public Safety - Director’s Office** and the **Missouri Highway Patrol** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State’s office is provided with core funding to handle a certain amount of normal activity resulting from each year’s legislative session. The fiscal impact for this fiscal note to Secretary of State’s office for Administrative Rules is less than

ASSUMPTION (continued)

\$1,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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GENERAL REVENUE FUND

<u>Savings</u> – Reduced appropriations to State School Moneys Fund	<u>\$0</u>	<u>Unknown</u>	<u>Unknown</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>Unknown</u>	<u>Unknown</u>
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STATE SCHOOL MONEYS FUND

<u>Savings</u> – Reduced distributions to local school districts	\$0	Unknown	Unknown
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<u>Losses</u> – Reduced appropriations from General Revenue Fund	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON STATE SCHOOL MONEYS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Local Government

FY 2007
(10 Mo.)

FY 2008

FY 2009

POLITICAL SUBDIVISIONS

Revenues – School Districts

Income from fines

Unknown

Unknown

Unknown

Losses – School Districts

Reduced distributions from State
 School Moneys Fund

\$0

(Unknown)

(Unknown)

**ESTIMATED NET EFFECT ON
 POLITICAL SUBDIVISIONS**

Unknown

\$0

\$0

FISCAL IMPACT - Small Business

Small business car rental agencies would be required to provide for rental of appropriate child passenger restraint systems as a result of this proposal.

DESCRIPTION

This proposal changes the laws regarding child passenger restraints and safety belts. The bill:

- (1) Requires children younger than four years of age, regardless of weight, or who weigh less than 40 pounds, regardless of age, to be secured in a child passenger restraint system;
- (2) Requires children four to eight years of age or weighing 40 to 80 pounds or less than four feet nine inches in height to be secured in a child passenger restraint system or booster seat;
- (3) Requires children at least 80 pounds or more than four feet nine inches in height or eight years of age or older to be secured by a vehicle safety belt;
- (4) Requires car rental agencies doing business in Missouri to inform customers of the requirements of the bill and to provide an appropriate child passenger restraint system;
- (5) Exempts public carriers for hire and school buses; and

DESCRIPTION (continued)

(6) Requires the Department of Public Safety to develop a public information program to ensure compliance with child passenger restraint laws.

(7) Violators of the proposal would be guilty of an infraction and, upon conviction, may be punished by a fine of not more than fifty dollars. Court costs shall be charged for a violation as well. However, in no case shall points be assessed for violations.

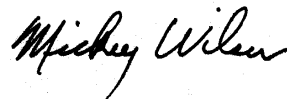
The exemption on belt usage of drivers and passengers if there are more persons than safety belts is removed.

The bill becomes effective January 1, 2007.

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 Public Safety
Department of Transportation
Office of the State Courts Administrator
Office of the State Public Defender
Office of the Secretary of State
Department of Revenue
Department of Elementary and Secondary Education
Office of Prosecution Services



Mickey Wilson, CPA
Director
January 30, 2006