

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1689-01
Bill No.: HB 708
Subject: Licenses - Driver's Motor Vehicles; Revenue Department
Type: Original
Date: March 5, 2007

Bill Summary: Requires driver's license applicants under age 18 to show high school enrollment, an attendance rate greater than 90%, and a minimum GPA of 1.75 or satisfactory.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$12,000)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$12,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator** state this proposal has no fiscal impact on the Courts.

Officials from the **Department of Revenue (DOR)** state that Driver License Bureau (DLB) costs for end user testing can be absorbed. The DLB assumes the form will be provided through the DOR website for public, private, parochial or home schools to access and provide to the applicant, therefore printing costs will not be incurred.

DOR assumes the modifications to the printed Missouri Driver Guide will occur at the time of re-order and can be absorbed.

The **Office of Administration Information Technology (ITSD DOR)** estimates that this legislation could be implemented utilizing existing resources of 1 existing CIT III for one month at a rate of \$4,186. However, if priorities shift and additional FTE/overtime would be needed to implement, the cost will be approximately \$ 4,186. They plan to use existing resources to implement this legislation.

Programming changes will need to be completed to the Missouri Driver License System and the Over the Counter license issuance systems in the contract offices.

Estimated hours for project completion (120) x Hourly rate for contractor (\$100) = \$12,000

Officials from the **Department of Elementary and Secondary Education (DES)** 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, DES 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 distributed to schools increases the deduction in the foundation formula the following year. 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.

DES assumes any increase in fine or penalty distribution is contingent upon the number of

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ASSUMPTION (continued)

persons found guilty of a class C misdemeanor for knowingly submitting false information relating to the terms of the proposal and will not likely be significant.

DES indicated there is no way to estimate the cost this proposal will present to local school districts; however the cost will be significant. The superintendent of schools must provide verification of enrollment status on a form provided by DOR to any student 15 to 17 upon request for presentation to DOR upon application for or reinstatement of an operator's license or temporary permit.

DESE assumes school districts will incur inestimable costs to duplicate, prepare, and provide certificates for students; track and retrieve information on a student-by-student basis; and report the required information in accordance with the proposal.

Oversight assumes reporting requirements will be minimal and can be absorbed with existing resources.

Officials from the **Independence School District** assume this proposal does not have any negative fiscal impact on their school district.

Officials from the **Maryville School District** state there would be a minimal cost to set up a reporting system.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE			
<u>Cost</u> - DOR - Programming changes	(\$12,000)	\$0	\$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$12,000)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2008
(10 Mo.)

FY 2009

FY 2010

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

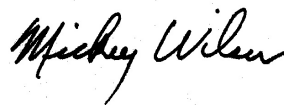
This proposal requires individuals who are 15 to 18 years of age to annually present documentation that he or she is enrolled in school, has an attendance rate of 90% or greater, has earned a minimum cumulative grade point average of at least 1.75, is making satisfactory progress in an alternative curriculum designed for students who are at risk, or is enrolled and progressing in a special education program in order to obtain and maintain a driver's license or temporary permit.

Any person who knowingly submits false information to the Department of Revenue will be guilty of a class C misdemeanor.

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
Department of Elementary and Secondary Education
Office of State Courts Administrator
School Districts
Maryville
Independence



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