

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3671-01  
Bill No.: HB 1353  
Subject: Licenses - Driver's: Elementary and Secondary Education Department; Motor Carriers  
Type: Original  
Date: February 8, 2008

---

Bill Summary: Waives renewal fees for school bus endorsements for individuals seventy years of age or older.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<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>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Highway Fund	(\$3,459)	(\$3,459)	(\$3,459)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$3,459)</b>	<b>(\$3,459)</b>	<b>(\$3,459)</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
<b>Local Government</b>	<b>(\$1,153)</b>	<b>(\$1,153)</b>	<b>(\$1,153)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Elementary and Secondary Education** state this proposal will have no fiscal impact on their agency or on local school districts.

Officials from the **Department of Transportation (MoDOT)** assume MoDOT would lose revenue generated from school bus endorsement fees; however, they defer to the Department of Revenue for an estimate of the fiscal impact of this proposal.

Officials from the **Department of Revenue (DOR)** assume the proposed legislation would require an Over the Counter license system program change and modifications to office procedures and printed and web-based forms referencing license fees. These programming changes would need to be designed and tested which would require 30 estimated hours for project completion (requirements and system testing) @ \$100 per hour for an OTC contractor = \$3,000.

**Oversight** assumes this cost could be absorbed with existing resources.

The Driver's License Bureau (DLB) assumes the commercial and non-commercial driver guides in hard copy would be modified upon next re-order thus destruction and re-printing costs would be absorbed.

DOR assumes a revenue impact as follows:

Total S endorsement holders age 70 and over - 615

One-year renewal fee commercial classes - \$7.50 (includes \$2.50 processing fee)

Total estimated annual loss of one-year license renewal fees for license holders (all classes) over 70 years of age with an S endorsement = \$4612.50.

The bureau does not have an available report which separates Class A, B, C, and E license holders with an S endorsement by age; therefore the fiscal impact estimate was determined using the higher cost of the one-year commercial class license with S endorsement. The cost of a one-year Class E license with S endorsement is \$5.00.

In addition to the loss of highway funds for transaction fees waived, DOR would still be required to pay the license vendor the per document cost of \$1.86 out of the DOR budget funded by General Revenue. This would result in a loss of approximately \$1,144 annually to cover the

LMD:LR:OD (12/02)

ASSUMPTION (continued)

vendor per document cost of the licenses issued where fees were waived.

**Oversight** assumes this loss could be absorbed.

**Office of Administration Information Technology (ITSD DOR)** estimates that this legislation could be implemented utilizing existing resources of 1 FTE existing CIT III for 1/4 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 \$1,047. They plan to use existing resources to implement this legislation.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
---	---------------------	---------	---------

**HIGHWAY FUND**

<u>Loss - DOR - Fee Income due to waiver of school bus endorsements</u>	<u>(\$3,459)</u>	<u>(\$3,459)</u>	<u>(\$3,459)</u>
---	------------------	------------------	------------------

<b>ESTIMATED NET EFFECT ON HIGHWAY FUND</b>	<b><u>(\$3,459)</u></b>	<b><u>(\$3,459)</u></b>	<b><u>(\$3,459)</u></b>
---	-------------------------	-------------------------	-------------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
---	---------------------	---------	---------

**LOCAL POLITICAL SUBDIVISIONS**

<u>Loss - Cities and Counties - Fee Income due to waiver of school bus endorsements</u>	<u>(\$1,153)</u>	<u>(\$1,153)</u>	<u>(\$1,153)</u>
---	------------------	------------------	------------------

<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>(\$1,153)</u></b>	<b><u>(\$1,153)</u></b>	<b><u>(\$1,153)</u></b>
---	-------------------------	-------------------------	-------------------------

FISCAL IMPACT - Small Business

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

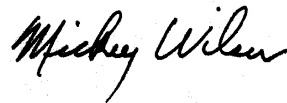
### FISCAL DESCRIPTION

This proposed legislation waives the renewal fee for a school bus endorsement for an individual who is 70 years of age or older.

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 Transportation  
Department of Elementary and Secondary Education

A handwritten signature in black ink, reading "Mickey Wilson". The signature is fluid and cursive, with the first name "Mickey" and last name "Wilson" clearly distinguishable.

Mickey Wilson, CPA  
Director  
February 8, 2008