

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4280-02
Bill No.: HB 1716
Subject: Licenses - Driver's: Motor Vehicles; Revenue Department
Type: Original
Date: March 3, 2008

Bill Summary: Ensures that driver's licence applicants' privacy rights are not compromised when applying for a renewing a driver's license.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the following agencies stated this proposal would have no fiscal impact on their respective agencies: **Department of Public Safety - Office of the Director, Missouri State Water Patrol, Missouri State Highway Patrol, Missouri Veterans Commission, Division of Fire Safety, Missouri Gaming Commission; Department of Health and Senior Services; Missouri Consolidated Health Care Plan; Office of Administration - Administrative Hearing Commission; Department of Economic Development; State Tax Commission; Department of Agriculture; Office of Secretary of State; Office of the Governor; Department of Insurance, Finance, and Professional Regulation; Department of Higher Education; House of Representatives; Department of Elementary and Secondary Education; Office of State Treasurer; Office of State Auditor; Missouri Senate; Department of Mental Health; Certificate of Need Program; Office of State Public Defender; Office of Lieutenant Governor.**

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

Officials from the **Joint Committee on Public Employee Retirement** indicate this proposal will not affect retirement plan benefits as defined in §105.660 (5).

Officials from the **Department of Conservation (MDC)** state the proposed legislation would appear to have fiscal impact on MDC funds.

Officials from the **Department of Labor and Industrial Relations - Division of Employment Security (DES)** state §288.060.9, RSMo, states, "The Division of Employment Security shall cross-check at least monthly unemployment compensation applicants and recipients with department of revenue drivers license databases. DES is not expecting this proposal to affect the Chapter 288 statute requirement.

The proposed language in §302.183.6 states all biometric data previously collected will be deleted from all databases. The DES currently utilizes drivers license information to resolve issues when a claimant files for unemployment while DES records reflect that the claimant is employed. The personal information obtained from the I-9 filed with the employer is compared to the drivers license picture and other indicative information that can be obtained from the Department of Revenue. This information is used to prosecute individuals who are overpaid unemployment benefits. Currently, for DES to receive this information, the Department of

ASSUMPTION (continued)

Revenue is the sole source. The DES may be required to incur additional cost if the information must be obtained from another source.

The Department's Divisions of Labor Standards and Workers' Compensation also access Revenue's information. Labor Standards uses Revenue's driver's license main frame system to find addresses to send a worker a letter. Workers' Compensation uses Revenue's system to check Social Security Numbers, photo ids and license plate numbers for criminal investigations.

Officials from the **Department of Revenue (DOR)** assumes this proposed legislation includes provisions to prohibit implementation of assumed aspects of the Real ID act and that the total impact of this proposal is unknown. DOR assumes that, as written, this proposal could affect compliance with federal commercial license regulations and acceptance of Missouri's commercial driver license by other jurisdictions. This could result in a loss of federal funding and a loss of revenue for the Missouri commercial trucking industry. The first year of non-compliance could result in up to a 5 percent reduction of such funds (approximately \$25 million); each subsequent year of non-compliance is subject to up to 10 percent reduction, which could equate to in excess of \$65 million.

DOR estimates an additional unknown loss of at least \$100,000 in license fees to highway, city and county funding due to the inability to issue class A, B, or C commercial licenses.

Oversight assumes the potential for losses is speculative and therefore, for fiscal note purposes, will show no fiscal impact.

Oversight also notes, that according to information obtained from the Department of Homeland Security web site, Real ID is not a Federal Mandate, and states are not required to participate. If a state decides not to comply with provisions of the rule, that state's driver's licenses and identification cards will no longer be acceptable for official Federal purposes; however, individuals can still present other forms of acceptable identification such as a U.S. passport to board federally regulated commercial aircraft and access federal facilities.

FISCAL IMPACT - State Government

FY 2009
(10 Mo.)

FY 2010

FY 2011

\$0

\$0

\$0

FISCAL IMPACT - Local Government

FY 2009
(10 Mo.)

FY 2010

FY 2011

\$0

\$0

\$0

FISCAL IMPACT - Small Business

There is a potential expense for employers to purchase passports for employees that are required to travel, work at nuclear plants, or enter federal building during the course of business.

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

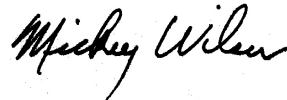
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Labor and Industrial Relations
Missouri Consolidated Health Care Plan
Joint Committee on Public Employee Retirement
Office of Administration
 Administrative Hearing Commission
Department of Public Safety
 Office of the Director
 Missouri State Water Patrol
 Missouri State Highway Patrol
 Missouri Veterans Commission
 Division of Fire Safety
 Missouri Gaming Commission
Department of Economic Development
Department of Conservation
State Tax Commission
Department of Agriculture
Office of Secretary of State
Office of the Governor
Department of Insurance, Finance, and Professional Regulation
Department of Higher Education

SOURCES OF INFORMATION (Continued)

House of Representatives
Department of Health and Senior Services
Department of Elementary and Secondary Education
Office of State Treasurer
Office of State Auditor
Missouri Senate
Office of State Courts Administrator
Department of Mental Health
Certificate of Need Program
Missouri State Public Defender
Office of Lieutenant Governor

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

Mickey Wilson, CPA
Director
March 3, 2008