

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1235-10  
Bill No.: SCS for HCS for HB 430  
Subject: Motor Carriers; Transportation; Transportation Department  
Type: Original  
Date: May 6, 2011

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Bill Summary: Modifies various provisions relating to transportation.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
General Revenue	(Up to \$13,128)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Up to \$13,128)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
Road Fund	\$0 or \$16,000,000	\$0 or \$16,000,000	\$0 or \$16,000,000
Highway Safety	\$0 or (\$16,000,000)	\$0 or (\$16,000,000)	\$0 or (\$16,000,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 14 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
<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 2012	FY 2013	FY 2014
<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 2012	FY 2013	FY 2014
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Revenue, Department of Transportation, Department of Labor and Industrial Relations, Missouri Highway Patrol and Office of Administration - Division of Budget and Planning and Administrative Hearing Commission** assume there will be no fiscal impact to their agencies.

#### §301.3084

Officials from the **Department of Revenue (DOR)** assume procedures will need to be revised by a Management Analyst Specialist I, requiring 40 hours of overtime at a cost of \$805 in FY 12. The DOR web site will need to be updated to include the change in the appearance of the Breast Cancer Awareness plate. This will require 10 hours of overtime for an Administrative Analyst III, at a cost of \$218 in FY 12.

DOR is charged a one-time fee of \$90 for the graphic modification of an existing specialty plate for passenger, truck, and RV as well as an additional charge of \$90 each to include disabled and motorcycle plates, for a total of \$270 for the change.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

#### § 301.4036

Officials from the **Department of Revenue (DOR)** assume procedures will need to be revised by a Management Analyst Specialist I, requiring 40 hours of overtime at a cost of \$805 in FY 12. The DOR web site will need to be updated to include the new plate type. This will require 10 hours of overtime for an Administrative Analyst III, at a cost of \$218 in FY 12.

DOR is charged \$250 for the initial set-up of a new speciality plate for passenger, truck, and RV as well as an additional charge of \$90 each to include disabled and motorcycle plates, for a total of \$430 for the initial set-up.

According to DOR the National Wild Turkey Federation states there are approximately 12,000 adult members that would be eligible for this plate. If 3%, or 360 plates are obtained the cost to

ASSUMPTION (continued)

the department would be \$3,060. However the revenue from the speciality plate fee would be \$5,400. As knowledge and public awareness of the availability of this plate increases it is assumed that 5% (582) of the remaining 11,640 eligible applicants will apply for these plates in FY 13 resulting a cost of \$4,947 and revenue of \$8,730. If 7% of the remaining members apply in FY 14 there will be costs of \$6,579 and revenue of \$11,610.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process. **Oversight** also assumes the cost and revenue of purchasing the plate is speculative and the initial impact would be \$0.

§302.181

Officials from the **Department of Revenue (DOR)** assume the expiration date and cost change for nondriver license will result in an Unknown impact.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

§70.441

In response to HCS for HB 818 (2011), officials from **St Louis County** state there is no fiscal impact to the county.

In response to HCS for HB 818, officials from the **Bi-State Development Agency** assume the revenue received as a result of this proposal will neutralize the annual cost attributable to the enforcement, investigation, and prosecution of offenses and create a favorable financial impact. It will create a savings.

**Oversight** assumes the revenues will offset the costs of collection and for fiscal note purposes only, will show no fiscal impact.

ASSUMPTION (continued)

§302.341, 302.700, and 302.768

In response to HCS for HB 818 (2011), officials from the **Department of Transportation** state costs associated with this proposal are already included in the current budget request. This proposal would implement current Federal requirements for States to modify their procedures for the issuance, renewal and transfer of a Commercial Drivers License (CDL) to a person who operates or will operate a commercial motor vehicle (CMV). The proposal would require CDL applicants more specifically to certify the nature of their proposed CMV operations and whether Federal or State driver qualification requirements will be applicable to those operations.

The enactment of these changes to Missouri's CDL statutes will be necessary to bring this State into compliance with the Federal mandate prescribed by 49 USC § 1311(a)(1) and (21), §31309(e)(4) and § 31305(a)(7); and 49 CFR §383.73 and §384.301.

In response to HCS for HB 818, officials from the **Department of Revenue (DOR)** assume the costs associated with development and implementation of the proposed medical certification program will be absorbed as part of a pending system upgrade project.

DOR further states that provisions contained in §302.700 and 302.768 are required for state compliance for its commercial drivers license (CDL) program under the provisions of 49 CFR Parts 383, 384 and 391 of the Federal Motor Carrier Safety Administration (FMCSA) regulations for commercial driver medical certification; provisions in section 302.341 required under 49 CFR § 384.226 "anti-masking" provisions (prohibits removal of Failure to Appear actions from a CDL holder's driver record after compliance shown).

Missouri federal-aid highway funds are subject to withholding if a state is found to be substantially in noncompliance. The first year of noncompliance the sanction is five (5) percent, the second and subsequent years the sanction is up to ten (10) percent of those funds.

**Oversight** assumes Missouri will be in compliance with the mandated provisions and will assign no costs for sanctions.

§ 226.195

In response to HCS for SB 173 (2011), officials at the **Missouri Department of Transportation** and **City of Kansas City** assume there will be no fiscal impact from this proposal.

ASSUMPTION (continued)

In response to HCS for SB 173 (2011), officials from the **Office of the 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 SOS 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 the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the 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 the office can sustain with the core budget. Therefore, the SOS reserves 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.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

**Oversight** assumes MoDOT is given the authority to create a state transit assistance program that can accept funds from the federal government. Should MoDOT pursue federal funding it is assumed all money received will be spent in accordance with the legislation. **Oversight** is showing no fiscal impact.

§ 227.107

In response to HCS for SB 173 (2011), officials from the **Department of Transportation** assume there will be no fiscal impact to their agency.

§ 302.291

In response to HB 495 (2011), officials from the **Office of State Courts Administrator** state this proposal will have no fiscal impact on the Courts.

In response to HB 495 (2011), officials from the **Department of Corrections, Office of Prosecution Services**, and the **Office of State Public Defender** state this proposal will have no fiscal impact on their respective agencies.

In response to HB 495 (2011), officials from the **Department of Revenue (DOR)** state the changes outlined in this proposed legislation will require DOR to modify current forms,

ASSUMPTION (continued)

procedures and website information related to reporting of impaired or unsafe drivers.

DOR anticipates the following administrative costs relating to this proposal:

- Draft updates to web, forms and procedures

Management Analyst Specialist II	10 hrs @ \$23 =	\$ 230
Revenue Band Manager	10 hrs @ \$30 =	\$ 300
  - Update Web Page - Administrative Analyst III      10 hrs @ \$22 =      \$ 220
  - Update Forms - Management Analysis Spec I      40 hrs @ \$20 =      \$ 800
  - Update Procedures - Management Analysis Spec I      40 hrs @ \$20 =      \$ 800
- \$2,350**

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

DOR states it is unknown as to how many of the Emergency Medical Technician (EMT) reports received by DOR would generate a revocation/ reinstatement of the driver license. Although the volume of reports is unknown, DOR anticipates the fiscal impact for processing is minimal.

In response to HB 495 (2011), officials from the following local law enforcement agencies indicated this proposal would have no fiscal impact on their respective departments: **Jefferson City Police Department, Columbia Police Department, Boone County Sheriff's Department.**

§ 304.820

In response to HB 93 (2011), officials from the **Office of the State Public Defender, Department of Transportation, Office of the State Courts Administrator** and the **Department of Public Safety - Director's Office** each assume the proposal would not fiscally

ASSUMPTION (continued)

impact their respective agencies.

In response to HB 93 (2011), officials from the **Department of Revenue (DOR)** assume Section 304.820 now requires the DOR to assess points to a driver's record for a conviction violation of text messaging while driving offense created under these provisions regardless of age of the offender. This legislation removes the 21 and under age limitation which will result in an unknown increase in the number of convictions for driving while texting.

The proposal would administratively impact the DOR's Driver License Bureau. DOR states there are no statistics available to determine how many additional convictions the DOR may be required to process; however, one FTE can process 320 convictions per day. The DOR assumes that a minimum of 1 FTE will be needed to process the additional convictions resulting from this violation. If the volume of convictions received for processing exceeds 320 per day, then additional FTE will be required and will be requested through the appropriation process.

There are no statistics available to determine the volume of phone calls that may be received; however, currently a Telephone Information Operator is required to handle 100 calls per day. The DOR assumes that a minimum of 1 FTE will be needed to answer the additional phone calls. If the calls received for texting while driving exceeds 100 calls per day, then additional FTE will be required and will be requested through the appropriation process.

The DOR is unable to determine how many convictions will be received for texting while driving and, therefore, is unable to determine the forms and postage costs for issuing the suspension/revocation notices.

DOR assumes the following costs:

One FTE Revenue Processing Tech (at \$25,380 per year) to process additional convictions for texting while driving and One FTE Telephone Information Operator (at \$25,380 per year) to answer telephone calls related to texting while driving. Postage and forms costs are unknown. DOR estimates the total cost to be approximately \$80,000 in FY 12, \$80,000 in FY 13, and \$81,000 in FY 14.

DOR assumes the proposal would also have a revenue impact of an unknown amount in the form of Reinstatement Fees Collected. Fees collected will be distributed, 75% highway fund, 15% cites, and 10% counties.



ASSUMPTION (continued)

In response to HB 93 (2011), officials from **Kansas City** assume the proposal would not create a fiscal impact.

In response to a similar proposal from this year (HB 317), officials from the **Boone County Sheriff's Office** and the **Springfield Police Department** each assumed no fiscal impact from the proposal.

In response to HB 93 (2011), officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** assume the proposal would not fiscally impact their agency. The MHP states they wrote 65 texting-while-driving tickets in 2010. Of those, nine were involved in accidents.

**Oversight** received information that, as of January 5, 2011, the Department of Revenue (DOR) processed 56 convictions for drivers twenty-one years of age or younger text messaging while driving since the statute went into effect on August 28, 2009.

**Oversight** assumes, based on the information received from the Missouri State Highway Patrol and the Department of Revenue (DOR), that the number of convictions resulting from prohibiting all drivers, regardless of age, from text messaging while operating motor vehicles would not be excessive. Oversight assumes DOR could absorb the increase in work load resulting from the proposal within existing resources. If the DOR experiences an increase that would require additional funding, the DOR could request the funding through the appropriation process.

**Oversight** assumes any revenue impact would be minimal, and reflects no change to Total State Revenue as a result of the proposal.

§ 302.309, 577.023

In response to HB 860 (2011), officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

In response to HB 860 (2011), officials from the **Department of Public Safety - Highway Patrol** assume the proposal will not create a fiscal impact to their agency.

In response to a similar proposal from this year (SCS for SB 254), officials from the **Department of Transportation (MoDOT)** stated Title 23 United States Code (USC) Section 164 outlines

ASSUMPTION (continued)

provisions that must be included in a state's repeat intoxicated driver law and requires a transfer of 3% of the state's federal-aid highway funds if the state has not enacted or is not enforcing a repeat intoxicated driver law that meets Section 164's requirements. This bill should place Missouri's repeat intoxicated driver law back in compliance with Section 164's requirements, which should stop this transfer of Missouri's federal-aid highway funds.

A statute change from last legislative session (SS SCS HCS HB 1695, 1742, & 1674) put the state out of compliance with 23 USC 164 (mandatory jail time/community service and limited driving privileges for repeat offenders). MoDOT has requested a legal review by the National Highway Traffic Safety Administration to ensure SB 254 puts state statute back into compliance with 23 USC 164. Assuming SB 254 does fulfill federal requirements, the penalty transfer of approximately \$16 million would be reversed. This would give MoDOT more flexibility in expending these funds.

**Oversight** will range the fiscal impact of the proposal from \$0 (legislation would not impact Missouri's compliance with federal code) to the \$16 million penalty stated by MoDOT.

In response to HB 860 (2011), officials from the **Department of Revenue (DOR)** state this proposal would bring the state into compliance with federal regulations and ensure receipt of federal aid highway funds. DOR states the proposed changes would require:

- System modifications regarding the changes to Limited Driving Privileges;
- Draft updates to web site information on Limited Driving Privileges;
- Updating office procedures;
- additional training of personnel

DOR's Drivers License Bureau (DLB) estimates 160 hours of system testing for one Management Analysis Specialist II (at \$23 per hour or \$3,680) and the same for one Administrative Analyst I (at \$16 per hour or \$2,560). DOR also assumes the need for 160 hours of work for a Revenue Band Manager (at \$25 per hour or \$4,000), 40 hours of work for two Management Analysis Specialist I for forms and Internal Procedure development (each at \$20.13 per hour or \$1,610) and 10 hours for an Administrative Analyst III for web page updates (at \$21.79 per hour or \$218).

DOR's response to a similar proposal in prior years would have indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's driver license legacy systems, changes cannot be made without significant impact to the Department's resources and budget.

ASSUMPTION (continued)

Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$1,060. The value of the level of effort is calculated by taking 1 FTE for 40 hours

In summary, DOR assumes a cost of \$13,128 in FY 2012 to provide for the implementation of the changes in this proposal.

**Oversight** assumes some of DOR's anticipated work hours could be performed during the normal work day and not create an additional expense to their budget; therefore, Oversight will range the cost to the Department of Revenue as 'up to \$13,128'.

In response to HB 860 (2011), officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 the Secretary of State's Office for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize 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 2012 (10 Mo.)	FY 2013	FY 2014
<b>GENERAL REVENUE</b>			
<u>Costs</u> - Department of Revenue			
Administrative changes to prepare for updates in the proposal	<u>(Up to \$13,128)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>(Up to \$13,128)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>ROAD FUND</b>			
<u>Savings</u> - more Federal funding could be utilized by this fund if Missouri becomes compliant	\$0 or <u>\$16,000,000</u>	\$0 or <u>\$16,000,000</u>	\$0 or <u>\$16,000,000</u>
<b>ESTIMATED NET EFFECT TO THE ROAD FUND</b>	<b><u>\$0 or \$16,000,000</u></b>	<b><u>\$0 or \$16,000,000</u></b>	<b><u>\$0 or \$16,000,000</u></b>
<b>HIGHWAY SAFETY FUND</b>			
<u>Loss</u> - Federal funding could be utilized by the Road Fund if Missouri becomes compliant	\$0 or <u>(\$16,000,000)</u>	\$0 or <u>(\$16,000,000)</u>	\$0 or <u>(\$16,000,000)</u>
<b>ESTIMATED NET EFFECT TO THE HIGHWAY SAFETY FUND</b>	<b><u>\$0 or (\$16,000,000)</u></b>	<b><u>\$0 or (\$16,000,000)</u></b>	<b><u>\$0 or (\$16,000,000)</u></b>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2012 (10 Mo.)	 FY 2013	 FY 2014
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

### FISCAL IMPACT - Small Business

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

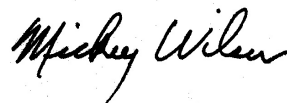
### FISCAL DESCRIPTION

This proposal modifies various provisions relating to transportation.

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 Transportation  
Department of Revenue  
Department of Labor and Industrial Relations  
Office of Administration -  
    Division of Budget and Planning  
    Administration Hearing Commission  
Missouri Highway Patrol  
Office of Administration -  
    Division of Budget and Planning  
    Administrative Hearing Commission  
St. Louis County  
Bi-State Development Agency  
Secretary of State's Office  
Office of State Courts Administrator  
Department of Corrections  
Office of Prosecution Services  
Office of State Public Defender  
Jefferson City Police Department  
Columbia Police Department  
Boone County Sheriff's Department



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Mickey Wilson, CPA  
Director  
May 6, 2011