

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4676-01
Bill No.: HB 1149
Subject: Motor Vehicles; Licenses - Motor Vehicle; Roads and Highways; Transportation
Type: Original
Date: February 24, 2014

Bill Summary: This proposal increases the penalties for the offense of failing to yield the right-of-way and the time period that the court may order the suspension of a person's driving privilege for the offense.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	\$0	Could exceed \$100,000	Could exceed \$100,000
Total Estimated Net Effect on General Revenue Fund	\$0	Could exceed \$100,000	Could exceed \$100,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Highway Fund	Unknown Less than \$100,000	Unknown Less than \$100,000	Unknown Less than \$100,000
State School Moneys*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown Less than \$100,000	Unknown Less than \$100,000	Unknown Less than \$100,000

* Offsetting savings and losses in Fiscal Years 2016 and 2017

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
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 2015	FY 2016	FY 2017
Local Political Subdivisions*	Could exceed \$100,000	Unknown Less than \$100,000	Unknown Less than \$100,000

* Offsetting Revenues and Losses in Fiscal Years 2016 and 2017

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol** and **St. Louis County** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Department of Transportation** did not respond to our request for fiscal impact.

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

Oversight assumes the proposal would result in increased fine revenues paid to local governments. Oversight assumes the revenues from the increased fines would be distributed to local school districts, which would reduce the distributions the school districts would receive from the state school moneys fund the next year, ultimately resulting in a savings to the General Revenue Fund. Oversight has reflected the fiscal impact to the State School Moneys Fund and General Revenue Fund for fiscal years 2016 and 2017, because any increase in fees distributed to schools increases the deduction in the foundation formula the following year.

Officials from the **Office of the State Courts Administrator** state the proposed legislation would increase the fine for failure to yield the right-of-way. According to the Fine Collection Center, as well as the total number of charges, the net average for the past five years of failure to yield the right-of-way violations with a guilty disposition is 3,127. It is unknown how much additional revenue the increase in fines would produce.

Since it is unknown how much additional revenue the increase in fines would produce, for fiscal note purposes only, **Oversight** will estimate revenue as: 'Could exceed \$100,000.'

ASSUMPTION (continued)

Officials from the **Department of Revenue (DOR)** assume this proposal would increase the penalties for any person who pleads guilty to or is found guilty of a failure to yield the right-of-way violation in which the offender is found to have caused serious injury or has caused a fatality and requires the court to order a failure to yield the right-of-way suspension when applicable. In the event of a fatality, the proposed legislation would require the offender to complete a driver improvement program.

Administrative Impact

Driver License Bureau (DLB):

DOR is unable to determine how many court ordered suspensions will be received to process. Today a Revenue Processing Tech I can process 104 court orders daily. If we receive 104 court orders daily we would require 1 FTE to process the orders. For every additional 104 court orders received daily an additional FTE would be requested through the appropriation process.

The proposed changes will require programming and testing of the failure to yield the right-of-way suspensions when involving a fatality.

- The Driver License Bureau estimates 80 hours of system testing by one Administrative Analyst.
- The Driver License Bureau estimates 80 hours of system testing by one Management Analysis Specialist II.

Administrative Analyst -	80 hrs @ \$25 per hr =	\$2,000
Management Analyst Specialist II -	80 hrs @ \$24 per hr =	<u>\$1,920</u>
	Total =	\$3,920

Update web page - Administrative Analyst III -	10 hrs @ \$22 =	\$220
Update forms – Management Analysis Spec I -	40 hrs @ \$20 =	\$840
Update procedures – Management Analysis Spec I -	40 hrs @ \$20 =	<u>\$840</u>
	Total =	\$1,910

ASSUMPTION (continued)

OA-ITSD Impact:

The following changes will need to be made:

- MODL – 60 hours;
- New compliance screen;
- Modify existing entry screen; and
- New compliance code for driver improvement program.

The value of the level of effort is calculated on 60 FTE hours @ \$27.05 = \$1,623.

In summary, DOR assumes a cost of \$7,468 (\$3,920 + \$1,910 + \$1,638) in FY 2015 to provide for the implementation of the changes in this proposal.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the 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 reinstatement fees collected is unknown. Fees collected will be distributed 75% Highway Funds, 15% Cities, and 10% Counties.

Since it is unknown how much additional revenue the reinstatement fees collected would produce, for fiscal note purposes only, **Oversight** will estimate revenue as: Unknown to less than \$100,000.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Savings</u> - Reduced transfers to State School Moneys Fund	<u>\$0</u>	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	Could exceed <u>\$100,000</u>	Could exceed <u>\$100,000</u>

FISCAL IMPACT - State Government
 (continued)

FY 2015
 (10 Mo.)

FY 2016

FY 2017

STATE SCHOOL MONEYS FUND

Savings - Reduced distributions to local
 school districts

\$0

Could exceed
 \$100,000

Could exceed
 \$100,000

Losses - Reduced transfers in from
 General Revenue Fund

\$0

(Could exceed
\$100,000)

(Could exceed
\$100,000)

**ESTIMATED NET EFFECT ON
 STATE SCHOOL MONEYS FUND**

\$0

\$0

\$0

HIGHWAY FUND

Income - Additional revenue from
 reinstatement fees

Unknown Less
than \$100,000

Unknown Less
than \$100,000

Unknown Less
than \$100,000

**ESTIMATED NET EFFECT ON
 HIGHWAY FUNDS**

Unknown Less
than \$100,000

Unknown Less
than \$100,000

Unknown Less
than \$100,000

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - Cities and Counties	Unknown Less	Unknown Less	Unknown Less
Additional revenue from reinstatement fees	than \$100,000	than \$100,000	than \$100,000
<u>Revenues</u> - Local School Districts	Could exceed	Could exceed	Could exceed
Income from fines	\$100,000	\$100,000	\$100,000
<u>Losses</u> - Local School Districts	<u>\$0</u>	(Could exceed	(Could exceed
Reduced distributions from State School Moneys Fund		<u>\$100,000)</u>	<u>\$100,000)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>Could exceed \$100,000</u>	<u>Unknown Less than \$100,000</u>	<u>Unknown Less than \$100,000</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 increases the penalties for the offense of failing to yield the right-of-way. Currently, any person who pleads guilty to or is found guilty of the offense will be assessed a penalty of up to \$200, and the court may issue an order of suspension of the person's driving privilege for 30 days. The proposal increases the penalty to up to \$1,000, but no less than \$500, and the court may issue an order of suspension of the person's driving privilege for 30 days. Currently, any person who pleads to or is found guilty of the offense and the person is found to have caused serious physical injury will be assessed a penalty of up to \$500, and the court may issue an order of suspension of the person's driving privilege for 90 days. The proposal increases the penalty to up to \$3,000, but no less than \$1,000, and requires the court to issue an order of suspension of the person's driving privilege for 90 days. Currently, any person who pleads guilty to or is found guilty of a violation of the offense and the person caused a fatality will be assessed a penalty of up to \$1,000, and the court may issue an order of suspension of the person's driving privilege for a period of six months.

FISCAL DESCRIPTION (continued)

The proposal increases the penalty to up to \$10,000, but no less than \$5,000, and requires the court to issue an order of suspension of the person's driving privilege for a period of up to one year, but no less than six months. The person will also be required to participate in and successfully complete a driver-improvement program approved by the Director of the Department of Revenue.

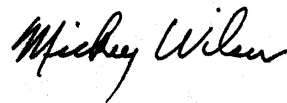
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Public Safety
Office of the State Courts Administrator
Department of Elementary and Secondary Education
St Louis County

Not Responding:

Department of Transportation



Mickey Wilson, CPA
Director
February 24, 2014

Ross Strobe
Assistant Director
February 24, 2014