

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6071-01  
Bill No.: HB 2320  
Subject: Motor Vehicles; Emergencies; Transportation; Highway Patrol; Law Enforcement  
Officers and Agencies  
Type: Original  
Date: February 16, 2016

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Bill Summary: This proposal changes the laws regarding tow truck company requirements.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<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 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<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 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **State Public Defender's Office (SPD)** state for the purpose of the proposal, and as a result of excessive caseloads, SPD cannot assume existing staff will provide competent, effective representation for any new cases where indigent persons are charged with the proposed new crime of unauthorized towing, a new class D misdemeanor, with escalators for subsequent same offenses. While the number of new cases may be too few or uncertain to request additional funding for this specific proposal, SPD will continue to request sufficient appropriations to provide competent and effective representation in all cases where the right to counsel attaches.

Officials from the **Office of State Courts Administrator, Department of Transportation, Department of Public Safety - Missouri Highway Patrol, Office of Prosecution Services and Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from **St. Louis County, City of Kansas City and Callaway County** each assume the current proposal would not fiscally impact their respective political subdivisions.

Officials from the **Department of Corrections (DOC)** state this proposal creates three new crimes; one of which would be supervised by the DOC. The D and A Misdemeanors listed in 304.153 would not be supervised by the DOC. However, upon the committing of a third offense, a tow operator could be charged with a D Felony. As the previously held statute does not have any comparable offenses and this is a new crime, it is not possible to pinpoint the exact impact of this particular statute. The average sentence for nonviolent D Felonies is 3.5 years with 1.5 of those years served in prison and 2 on parole or with 3 years served on probation. It is shown that this non-violent D Felony will lead to one new prison sentence and two new probation sentences per year. After four years, this should lead to an increase in the institutional population by 1.5 and the field population by 8.

The FY '15 average cost of supervision is \$6.04 per offender per day or an annual cost of \$2,205 per offender. The DOC cost of incarceration is \$16.809 per day or an annual cost of \$6,135 per offender.

The DOC would assume this legislation will result in long term cost as indicated in the chart below.

ASSUMPTION (continued)

	# to Prison	Cost Per Year	Total Cost Prison	# to Probation and/or Parole	Cost Per Year	Total Cost of Probation and Parole	Grand Total Prison and Probation
Year 1 (10 mos)	1.0	(\$6,135)	(\$6,135)	2.0	(\$2,205)	(\$4,410)	(\$8,788)
Year 2 (2% inflation)	1.5	(\$6,135)	(\$9,203)	4.5	(\$2,205)	(\$9,923)	(\$19,508)
Year 3 (2% inflation)	1.5	(\$6,135)	(\$9,203)	7.5	(\$2,205)	(\$16,538)	(\$26,780)
Year 4 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$28,485)
Year 5 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$29,055)
Year 6 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$29,363)
Year 7 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$30,229)
Year 8 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$30,834)
Year 9 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$31,450)
Year 10 (2% inflation)	1.5	(\$6,135)	(\$9,203)	8.0	(\$2,205)	(\$17,640)	(\$32,079)

**Oversight** assumes the Department of Corrections is provided with core funding to handle a certain amount of activity each year. Oversight assumes the DOC could absorb the costs related to this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business towing companies could be impacted by this proposal.

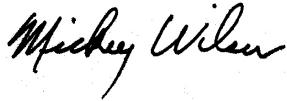
FISCAL DESCRIPTION

The proposed legislation appears to have no direct 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

State Public Defender's Office  
Office of State Courts Administrator  
Department of Transportation  
Department of Corrections  
Department of Revenue  
Office of Prosecution Services  
Department of Public Safety  
Missouri Highway Patrol  
St. Louis County  
City of Kansas City  
Callaway County



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