

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6857-01
Bill No.: HB 2758
Subject: Motor Vehicles; Licenses - Miscellaneous
Type: Original
Date: April 4, 2016

Bill Summary: This proposal establishes record keeping requirements for salvage dealers and operators of salvage pool or salvage disposal sales.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(Less than \$50,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	(Less than \$50,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

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

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

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight assumes the Department of Revenue (DOR) will incur costs associated with this proposal due to having to contract with a third party data consolidator to the National Motor Vehicle Title Information System (NMVTIS) to receive information reported by DOR. Oversight will reflect a cost of "Less than \$50,000" in FY 2017 for DOR to implement the requirements of this proposal.

Officials from the **Department of Public Safety - Missouri Highway Patrol** assume the proposal will have no fiscal impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Cost - DOR</u> Administrative costs	(Less than \$50,000)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE	(Less than \$50,000)	<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

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

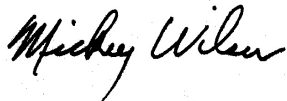
FISCAL DESCRIPTION

This proposal requires salvage dealers and salvage pool or salvage disposal sale operators to keep electronic records of all sales of vehicles whose titles are salvage, junk, wrecked, nonrepairable, or carries a similar brand. All salvage dealers and operators must also obtain documented proof of any required license when conducting salvage business with any person residing in a jurisdiction that does not require purchasers to be authorized to purchase salvage vehicles in that person's jurisdiction. Such records are to be submitted to the Department of Revenue. Any person who knowingly fails to report all transactions of a vehicle whose title is salvage, junk, wrecked, nonrepairable or carries a similar brand to the statewide database shall be guilty of a civil infraction, punishable by up to \$1,000 per infraction.

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 Public Safety
Missouri Highway Patrol



Mickey Wilson, CPA
Director
April 4, 2016

Ross Strobe
Assistant Director
April 4, 2016