

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0370-01
Bill No.: HB 207
Subject: Licenses - Driver's; Emergencies; Department of Revenue
Type: Original
Date: January 18, 2019

Bill Summary: This proposal allows Missouri driver's license applicants to elect to have a medical alert notation placed on the person's driver's license.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	(\$112,124 to \$116,305)	\$0 to (\$80,631)	\$0 to (\$81,312)
Total Estimated Net Effect on General Revenue	(\$112,124 to \$116,305)	\$0 to (\$80,631)	\$0 to (\$81,312)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
Total Estimated Net Effect on FTE	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE

☒ 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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Revenue (DOR)** assume the following regarding this proposal:

Administrative Impact

To implement the proposed legislation, the Department will be required to:

- Complete programming and user acceptance testing for the new medical alert notation on the driver license;
- Modify the Missouri Electronic Driver License system (MEDL), Missouri Driver License system (MODL), and the Central Driver Information System (CDIS) to include the new notation;
- The Department will use a medical symbol/alert to be placed on the back of the license with other optional indicators since currently there is not enough available space on the front of the card with the current card design;
- Submit a request to a license vendor for adding a new notation to the current design and printing process for driver license, nondriver license, and permit documents;
- Complete testing with the factory print facility for the new notation for card printing;
- Update procedures and the Department website;
- Update the driver license brochure that has samples of all current Missouri driver license, nondriver license, and permit documents;
- Update the driver guide; and
- Create a new rule for requirements for the medical alert notation.

FY 2020 - Driver License Bureau

Administrative Analyst II	280 hrs. @ \$17.13 per hr.	= \$ 4,796
Management Analysis Spec II	400 hrs. @ \$20.57 per hr.	= \$ 8,228
Revenue Manager	200 hrs. @ \$20.59 per hr.	= \$ 4,118
Total		= \$17,142

FY 2020 - Personnel Services Bureau

Management Analysis Spec I	160 hrs. @ \$18.42 per hr.	= \$ 2,947
Administrative Analyst III	80 hrs. @ \$19.80 per hr.	= \$ 1,584
Total		= \$ 4,531

Total Costs **= \$21,673**

ASSUMPTION (continued)

Vendor Cost

Estimated license vendor cost to modify card design for the new indicator is \$28,000.

OA-ITSD services will be required at a cost of **\$62,451** (832.68 hours x \$75 per hour) in FY 2020.

In summary, DOR assumes a cost of **\$112,124** (\$21,673 + \$28,000 + \$62,451) in FY 2020.

Oversight notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, ITSD assumes they will contract out the programming changes need to the MEDL, MODL, and CDIS systems. ITSD estimates the project would take 832.68 hours at a contract rate of \$75 per hour for a total cost to the state of \$62,451. Oversight notes that an average salary for a current IT Specialist within ITSD is \$51,618, which totals roughly \$80,000 per year when fringe benefits are added. Assuming that all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire an additional IT Specialist to perform the work required from this bill. Therefore, Oversight will range the fiscal impact from the cost of contracting out the work (\$62,541) to hiring an additional FTE IT Specialist (roughly \$80,000 per year).

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 SOS for Administrative Rules is less than \$5,000. 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 require additional resources.

ASSUMPTION (continued)

Officials from the **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency.

Officials from the **Department of Health and Senior Services** assume the proposal will have no fiscal impact on their organization.

Oversight notes that the Department of Health and Senior Services has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

FISCAL IMPACT - State Government	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE FUND			
Cost - DOR - Administrative costs	(\$21,673)	\$0	\$0
Cost - DOR - Vendor cost	(\$28,000)	\$0	\$0
Cost - DOR - ITSD costs (ranged from contracting out programming to hiring additional FTE IT Specialist)	(\$62,451) to (\$66,632)	\$0 to (\$80,631)	\$0 to (\$81,312)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(\$112,124) to (\$116,305)	\$0 to (\$80,631)	\$0 to (\$81,312)
FISCAL IMPACT - Local Government	FY 2020 (10 Mo.)	FY 2021	FY 2022
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill allows residents of Missouri to have a medical alert notation placed on their driver's license to indicate that they have an emergency medical card in their possession.

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
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Health and Senior Services



Kyle Rieman
Director
January 18, 2019

Ross Strobe
Assistant Director
January 18, 2019