

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2093-01  
Bill No.: HB 996  
Subject: Motor Vehicles; Roads and Highways  
Type: Original  
Date: March 27, 2019

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Bill Summary: This proposal modifies provisions relating to the offense of failing to yield the right-of-way.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
General Revenue	(\$29,970) to (\$66,632)	\$0 to (\$80,631)	\$0 to (\$81,312)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$29,970) to (\$66,632)</b>	<b>\$0 to (\$80,631)</b>	<b>\$0 to (\$81,312)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Highway Fund	Less than \$100,000	Less than \$100,000	Less than \$100,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Less than \$100,000</b>	<b>Less than \$100,000</b>	<b>Less than \$100,000</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<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 2020	FY 2021	FY 2022
General Revenue	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>0 or 1 FTE</b>	<b>0 or 1 FTE</b>	<b>0 or 1 FTE</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 2020	FY 2021	FY 2022
<b>Local Government</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

## FISCAL ANALYSIS

### ASSUMPTION

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

#### Administrative Impact

There are no statistics available for the Department to determine how many court ordered suspensions would be received for processing. If the volume is so significant that it cannot be absorbed by existing staff, additional FTE's will be requested through the appropriations process.

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

- Update the Missouri Driver License System (MODL) to add a failure to yield the right-of-way suspensions;
- Programming and user acceptance testing; and
- Update procedures, forms, and the Department website.

#### FY 2020 - Driver License Bureau

Management Analysis Spec II	80 hrs. @ \$20.57 per hr.	= \$1,646
Administrative Analyst I	80 hrs. @ \$14.70 per hr.	= \$1,176
Total		= \$2,822

#### FY 2020 - Personnel Services Bureau

Management Analysis Spec I	80 hrs. @ \$18.42 per hr.	= \$1,474
Administrative Analyst III	10 hrs. @ \$19.80 per hr.	= \$ 198
Total		= \$1,672

**Total Costs** **= \$4,494**

**Oversight** assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated on the fiscal note.

**DOR** notes OA-ITSD services will be required at a cost of \$29,970 (399.60 hours x \$75 per hour) in FY 2019.

ASSUMPTION (continued)

Administrative Impact (continued)

**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 needed to the MODL system. ITSD estimates the project would take 399.60 hours at a contract rate of \$75 per hour for a total cost to the state of \$29,970. 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 (\$29,970) to hiring an additional FTE IT Specialist (roughly \$80,000 per year).

Revenue Impact

**DOR** notes there are no statistics available for the Department to determine how many court ordered suspensions will be received to process. Any reinstatement fees collected will be distributed 75% Highway Fund, 15% Cities, and 10% Counties.

**Oversight** notes there were 1,110 convictions for violations of §304.351 in FY 2018. It is unknown how many convictions resulted in suspensions or caused physical injury or death. Oversight notes an increase in suspensions will result in an increase in reinstatement fees; therefore, Oversight will reflect this increase as "Less than \$100,000" on the fiscal note. Oversight also notes the increase in fine revenue as a result of this proposal will go to schools; therefore, Oversight will reflect an "Unknown" amount of revenue for schools.

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

**Oversight** notes that the agencies mentioned above have 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 for these agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>GENERAL REVENUE FUND</b>			
<u>Cost</u> - DOR - ITSD costs (ranged from contracting out programming (\$29,970) to hiring additional FTE IT Specialist)	(\$29,970) to <u>(\$66,632)</u>	\$0 to <u>(\$80,631)</u>	\$0 to <u>(\$81,312)</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b>(\$29,970) to <u>(\$66,632)</u></b>	<b>\$0 to <u>(\$80,631)</u></b>	<b>\$0 to <u>(\$81,312)</u></b>
Estimated Net FTE Change for General Revenue	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE
<b>HIGHWAY FUND</b>			
<u>Revenue</u> - increase in reinstatement fees for violations of §304.351	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
<b>ESTIMATED NET EFFECT ON THE HIGHWAY FUND</b>	<b>Less than <u>\$100,000</u></b>	<b>Less than <u>\$100,000</u></b>	<b>Less than <u>\$100,000</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Revenue</u> - Cities (15%) increase in reinstatement fees for violations of §304.351	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Counties (10%) increase in reinstatement fees for violations of §304.351	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Schools - increase in fine revenue for violations of §304.351	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<u><b>Unknown</b></u>	<u><b>Unknown</b></u>	<u><b>Unknown</b></u>

FISCAL IMPACT - Small Business

Small businesses that operate driver improvement programs could be impacted by this proposal.

FISCAL DESCRIPTION

This bill enhances certain fines for violating Section 304.351 RSMo, which governs rules for yielding and other traffic procedures. When physical injury is caused because of a violation the fine is increased from \$200 or less to a range of \$500 to \$1,000; if serious physical injury is caused because of a violation, then the fine is increased from \$500 or less to a range of \$1,000 to \$3,000 and the court is ordered to suspend a license for a period of 90 days; if a fatality is caused by a violation, then the fine is increased from \$1,000 or less to a range of \$5,000 to \$10,000 and the court is ordered to issue a suspension of at least six months, but not more than one year, and to require the violator to attend a driver-improvement program approved by 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 Transportation  
Department of Public Safety - Missouri Highway Patrol  
Office of the State Courts Administrator  
Office of Prosecution Services  
Office of the State Public Defender



Kyle Rieman  
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March 27, 2019

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March 27, 2019