

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0247H.01I
Bill No.: HB 100
Subject: Licenses - Motor Vehicle; Museums; Revenue, Department of
Type: Original
Date: January 19, 2021

Bill Summary: This proposal establishes a Negro Leagues Baseball Museum special license plate.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

According to a report provided by the Department of Revenue, **Oversight** notes there are currently 207 different types of specialty license plate designs available in Missouri. From these 207 specialty license plates, there were 63,910 registrations as of February 3, 2020:

0 Registrations	Less than 100 Registrations	Less than 1,000 Registrations	More than 1,000 Registrations
48	91	52	16

For most designs, there is a \$15 initial fee to apply for each specialty license plate and a \$15 annual renewal fee. However, the following designs do not have the \$15 fee; Congressional Medal of Honor (§301.145, RSMo), Disabled Veteran (§301.071, RSMo), Former Prisoner of War (§301.443, RSMo), Purple Heart (§301.451, RSMo), Retired Military Air Force (§301.441, RSMo), Retired Military Army (§301.441, RSMo), Retired Military Coast Guard (§301.441, RSMo), Retired Military Marine (§301.441, RSMo), Retired Military Marine Corps League (§301.441, RSMo), Retired Military Merchant Marine (§301.441, RSMo), Retired Military National Guard (§301.441, RSMo), Retired Military Navy (§301.441, RSMo), and We Shall Not Forget (§301.3142, RSMo).

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

Administrative Impact

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

- Update procedures and the Department website;
- Update the Application for Missouri Personalized and Special License Plate (DOR-1716);
- Communicate with the Negro Leagues Baseball Museum for development of the license plate; and
- Complete programming and user acceptance testing for identified systems.

FY 2022 – Motor Vehicle Bureau

Associate Research/Data Analyst	240 hrs. @ \$18.50 per hr.	= \$4,440
---------------------------------	----------------------------	-----------

FY 2022 – Strategy and Communications Office

Associate Research/Data Analyst	10 hrs. @ \$18.50 per hr.	= \$ 185
---------------------------------	---------------------------	----------

FY 2022 – General Services Bureau

Lead Administrative Support Assistant 5 hrs. @ \$14.54 per hr. = \$ 73

Total Costs = **\$4,698**

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.

Set-up cost

The Department is charged **\$215** for the initial set-up, design, and programming for a new specialty plate for passenger, truck, RV, disabled and motorcycle plates. This is a one-time fee that will be charged upon passage of this bill in FY 2022.

Plate manufacturing cost

The Department pays \$3.75 per plate for manufacturing flat plates through Missouri Vocational Enterprises (MVE).

It is unknown how many applicants would apply for these license plates. The Department is assuming 200 applicants per year at a cost to the Department of **\$625** (10 months) in FY 2022 and **\$750** in FY 2023 and FY 2024.

Mailings

It currently costs the Department, on average, \$5.55 to ship a box of 10 sets of plates to contract offices once they have completed the manufacturing process through MVE.

The mailing cost will be **\$93** (10 months) in FY 2022 and **\$111** in FY 2023 and FY 2024.

Note: \$5.55 is an average cost, as the cost may decrease or increase based on the weight of the package, the area to which it is being sent, and how many boxes are being sent at one time.

The Department would incur an additional postage cost for mailing notifications to those applicants notifying them their plates are ready for pickup at the respective license office.

Assuming 200 applications per year at a cost of **\$110** (10 months) in FY 2022 and **\$132** in FY 2023 and FY 2024 for letters (\$0.038), envelopes (\$0.068), and postage (\$0.55).

DOR notes OA-ITSD services will be required at a cost of **\$8,311** in FY 2022 (87.48 hours x \$95 per hour).

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.

Officials from the **Missouri Department of Transportation** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State** notes many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office 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 Secretary of State's office for Administrative Rules is less than \$5,000. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize 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 our office can sustain with our core budget. Therefore, we reserve 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.

<u>FISCAL IMPACT –</u> <u>State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT –</u> <u>Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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.

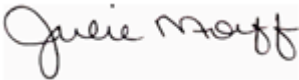
FISCAL DESCRIPTION

This bill allows for the issuance of a "Negro Leagues Baseball Museum" specialty license plate upon making a \$10 contribution to the Negro Leagues Baseball Museum, and a \$15 fee in addition to the regular registration fee.

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



Julie Morff
Director
January 19, 2021



Ross Strobe
Assistant Director
January 19, 2021