

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1352H.01I
Bill No.: HB 448
Subject: Licenses - Driver's; Revenue, Department of
Type: Original
Date: January 20, 2021

Bill Summary: This proposal establishes an administrative penalty for possessing, duplicating, or manufacturing or contracting to manufacture a false instruction permit, driver's license, or non-driver's license.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	Up to (\$235,776)	Up to (\$277,721)	Up to (\$280,085)
Total Estimated Net Effect on General Revenue	Up to (\$235,776)	Up to (\$277,721)	Up to (\$280,085)

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
General Revenue	Up to 4 FTE	Up to 4 FTE	Up to 4 FTE
Total Estimated Net Effect on FTE	Up to 4 FTE	Up to 4 FTE	Up to 4 FTE

☐ 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

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

Administrative Impact - General Counsel Office

The proposed changes will increase the number of circuit court hearings the Department is required to appear at with legal counsel. As a result of the increase, the General Counsel Office would require the following additional FTE (related equipment and expenses detailed in the worksheet):

- Three (3) Legal Counsel - \$46,395 annually
- One (1) Senior Office Support Assistant - \$27,851 annually

The proposed change to §302.171.4 RSMo adds “or who possesses, duplicates, manufacturers, or contracts to have manufactured any false identification including, but not limited to, a false instruction permit, driver’s license, or non-driver’s license.”

The change in this language may increase fraud reporting to the Department and limit the ability to take action in such cases. The possible volume of increase in reporting and investigations is unknown. If the volume of increased reports is such that it cannot be absorbed by existing review and investigations staff, the Department will request additional employees through the appropriations process. The Department assumes this is not intended to be a process by which we may receive thousands of confiscated documents from universities or other sources without specific case details which would not allow for investigations and defined actions to be taken.

The Department assumes it will use current fraud denial (administrative) or misrepresentation actions to define the fraud action based on investigation or conviction actions as applicable.

Oversight does not have information to the contrary and assumes the threat of losing driving privileges for a year would cut down on the number of false IDs and therefore, Oversight will reflect the fiscal impact as “Up to” the estimates as provided by DOR.

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.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE FUND			
Cost – DOR	Up to...	Up to...	Up to...
Personal Services	(\$139,197)	(\$168,707)	(\$170,394)
Fringe Benefits	(\$86,779)	(\$104,699)	(\$105,268)
Expense and Equipment	<u>(\$9,800)</u>	<u>(\$4,315)</u>	<u>(\$4,423)</u>
Total Costs – DOR	<u>(\$235,776)</u>	<u>(\$277,721)</u>	<u>(\$280,085)</u>
FTE Change – DOR	Up to 4 FTE	Up to 4 FTE	Up to 4 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>Up to (\$235,776)</u>	<u>Up to (\$277,721)</u>	<u>Up to (\$280,085)</u>
Estimated Net FTE Change to the General Revenue Fund	Up to 4 FTE	Up to 4 FTE	Up to 4 FTE

<u>FISCAL IMPACT – 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 requires the Director of the Department of Revenue to deny the privilege of driving of any person who possesses, duplicates, manufactures, or contracts to have manufactured any false identification, including a false instruction permit, driver's license, or non-driver's license.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

L.R. No. 1352H.01I

Bill No. HB 448

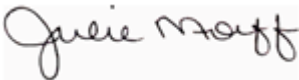
Page 5 of 5

January 20, 2021

SOURCES OF INFORMATION

Department of Revenue

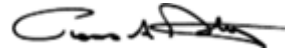
Missouri Department of Transportation

A handwritten signature in cursive script that reads "Julie Morff".

Julie Morff

Director

January 20, 2021

A handwritten signature in cursive script that reads "Ross Strobe".

Ross Strobe

Assistant Director

January 20, 2021