

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0680H.03C  
 Bill No.: HCS for HB 355  
 Subject: Law Enforcement Officers and Agencies; Children and Minors; Children's  
 Division; Department of Social Services; Licenses - Driver's; Department of  
 Revenue  
 Type: Original  
 Date: March 27, 2023

Bill Summary: This proposal modifies and establishes provisions relating to the protection of children.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
General Revenue*	Could exceed (\$55,610)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>Could exceed (\$55,610)</b>	<b>\$0 to (Unknown)</b>	<b>\$0 to (Unknown)</b>

\*Oversight assumes the total fiscal impact would not exceed \$250,000 due to the removal of the civil penalty provisions in §210.762.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§136.055, 302.178, and 302.181 – Driver’s licenses to certain youths

Officials from the **Office of Administration - Budget and Planning (B&P)** state sections 136.055, 302.178, and 302.181 require the Department of Revenue to provide drivers licenses to certain youths at no cost. B&P defers to DOR for specific revenue impacts.

Officials from the **Department of Revenue (DOR)** state section 302.181.6 adds language to this subsection that no nondriver license transaction fees shall be collected from a homeless child or youth, as defined in subsection 1 of section 167.020, or an unaccompanied youth, as defined in U.S.C Section 11434a (6) for a first nondriver license card issued under this subsection. The person’s status is verified by a letter from a director or designee of a governmental or nonprofit agency that receives public or private funding to provide services to a homeless person, a local education agency liaison for homeless children and youth designated under 42 U.S.C. Section 11432(g) (1) (J) (ii), a licensed attorney representing the minor in any legal matter, or a school social worker or counselor.

Pursuant to this language, fees for subsequent, new, renewal or duplicate nondriver license transactions would be issued at full-required fees.

#### Administrative Impact

To implement the proposed change, the Department would be required to:

- Complete business requirements and design documents to modify the Missouri Electronic Driver License (MEDL) issuance system, MEDL central applications and supporting systems to remove the fee for a nondriver for homeless child, youth, or an intermediate for emancipated youths.
- Complete programming and user acceptance testing of the Missouri Electronic Driver License (MEDL) issuance system;
- OA-ITSD Test the file generation and secure transfer process to ensure all required data elements and signature are sent as required;
- Obtain format and procedure approvals from Secretary of State and others as applicable;
- Update policies, procedures, and the Uniform License Issuance Manual (ULIM);
- Update forms, manuals, and the Department website;
- Complete training as required.

FY 2023 – Driver License Bureau  
Research/Data Assistant 360hrs. @ \$17.20 per hr. =\$ 6,192  
Research/Data Analyst 400hrs. @ \$25.63 per hr. =\$10,252  
Administrative Manager 80 hrs. @ \$27.82 per hr. =\$ 2,226  
Total \$18,670

FY 2023 – Personnel Services Bureau

Associate Research/Data Analyst 20 hrs. @ \$20.54 per hr. =\$411

Associate Research/Data Analyst 10 hrs. @ \$20.54 per hr. =\$205

Total \$616

Total Costs \$19,286

Revenue Impact

During FY 22, there were a total of 113,014 new nondriver licenses issued. DOR does not have statistics to determine of this count how many potential annual applicants may be eligible for a fee waiver under the proposed provisions; therefore, the total impact to State and Local Revenue is unknown.

For each fee waiver eligible nondriver license issued pursuant to this proposed language in §302.181, there would be a loss to General Revenue of \$6.

During FY 22, there were a total of 52,348 new intermediate licenses issued. It is unknown how many may potential applicants may be eligible for a fee waiver under the proposed provisions; therefore, the total impact to State and Local Revenue is unknown.

For each fee waiver eligible Intermediate Driver License issued pursuant to this proposed language in §302.178, there would be a loss of fees distributed to the Hwy Fund and Local Funds for cities and counties as follows

Hwy Fund Loss (75%) = \$3.75

Cities Fund Loss (15%) = \$0.75

Counties Fund Loss (10%) = \$0.50

For each issued document, the Department would have to pay contracted fees to the card vendor for printing and postage costs equaling \$2.4724 per card.

There would also be a loss to General Revenue for office processing fees which would have been collected for nondriver or intermediate license transactions issued in State license offices eligible for waiver of fees pursuant to the proposed language in §136.055. An estimated volume of eligible applicants applying in State branch office is unknown.

Office Processing Fee each New Nondriver License: \$12.00

Office Processing Fee for each Intermediate License \$ 6.00

The fiscal impact estimated above is based on changes in the current MEDL system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the general assembly in 2020 (Senate Bill 176). To avoid duplicative technology development

and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

Officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DOR** state updates to the MEDL would be required.

OA, ITSD/DOR assumes every new IT project/system will be bid out because all ITSD resources are at full capacity. IT contract rates for MEDL are estimated at \$95/hour. It is assumed MEDL modifications will require 442.8 hours for a cost of \$42,066.

OA, ITSD/DOR assumes every new IT project/system will be bid out because all ITSD resources are at full capacity. IT contract rates for MODL are estimated at \$95/hour. It is assumed MODL modifications will require 71.28 hours for a cost of \$6,772.

Therefore, the total MEDL and MODL upgrades will cost **\$55,610 in FY24** exclusively.

**Oversight** does not have any information to the contrary. Oversight assumes DOR can absorb the administrative impact of this proposal (\$19,286) within current staffing and funding levels. Oversight will reflect the one-time IT costs against General Revenue Funds for FY24.

#### Bill as a Whole

Officials from the **Department of Corrections (DOC)** state this proposal modifies and establishes provisions relating to the protection of children. It intends to raise the age of a child from less than 17 to less than 18 to those eligible for child protections under current legislation, and adds relevant penalties for people violating those protections.

Given there is no information available on the number of persons to which child protections would need to be applied or the number of victims that would fall under the penalties for people violating those protections, the DOC is unable to estimate the impact of this proposal on department operations.

**Oversight** does not have any information contrary to that provided by DOC. Therefore, Oversight will range the fiscal impact from \$0 to DOC's (unknown) impact for fiscal note purposes.

In response to a previous version (HB 355), officials from the **Office of State Courts Administrator (OSCA)** stated this proposal may have some impact, but there is no way to quantify that impact currently. Any significant changes will be reflected in future budget requests.

Officials from the **Attorney General's Office, the Office of Administration - Administrative Hearing Commission, the Department of Commerce and Insurance, the Department of Elementary and Secondary Education, the Department of Health and Senior Services, the**

**Department of Mental Health, the Department of Public Safety - Missouri Highway Patrol, the Department of Social Services, the Missouri Office of Prosecution Services, the Office of Administration, the Office of the State Public Defender, the Newton County Health Department, the St. Louis County Health Department, the Branson Police Department, the St. Louis County Police Department, and the Phelps County Sheriff’s Department** assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version (HB 355), officials from the **Department of Public Safety – Alcohol and Tobacco Control, the Kansas City Police Department, and the St. Joseph Police Department** assumed the proposal will have no fiscal impact on their respective organizations.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other city and county health departments, local law enforcement, schools, and hospitals were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
<b>GENERAL REVENUE</b>			
<u>Cost – DOC - Potential increase in incarceration costs from raising the age from 17 to 18 p. 5</u>	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Cost – OA, ITSD/DOR (§302.181) p. 3-5</u>			
MEDL	(\$42,066)	\$0	\$0
MODL	(\$6,772)	\$0	\$0
<u>Total cost – OA, ITSD/DOR</u>	(\$55,610)	\$0	\$0
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>Could exceed</u></b> <b><u>(\$55,610)</u></b>	<b><u>\$0 to</u></b> <b><u>(Unknown)</u></b>	<b><u>\$0 to</u></b> <b><u>(Unknown)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<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 changes the age a person is considered a child, as it pertains to multiple provisions in the bill, to anyone under the age of 18 instead of 17. A missing child can also include a person still in foster care regardless of their age.

The bill requires law enforcement agencies to take a missing child report from any member of the family support team, as defined in this bill, and provide a copy of the report to the agency or placement provider with legal custody of the missing child. The agency or placement provider shall maintain all copies of missing child reports for any child under its legal custody. Within 72 hours of a missing child complaint being filed for a child placed in an authorized agency or foster care or within 72 hours of an authorized agency or foster care being notified that a child under its custody is missing, whichever event first occurs, the family support team, as defined in this bill, shall hold a meeting to discuss the whereabouts of the missing child and to discuss the initial decision regarding the custody and placement of the missing child once the child is found. (Sections 43.401 and 210.762, RSMo).

This bill also waives driver's license fees and non-driver's license fees for verified homeless youths or unaccompanied youths. It also specifies who may verify the person's status as a homeless youth (Sections 136.055, 302.178, and 302.181).

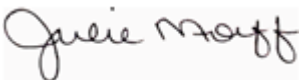
Currently, the Department of Health and Senior Services is required to maintain a record of substantiated, signed parental complaints against licensed child care facilities and make those available to the public. This bill gives the responsibility to the Department of Elementary and Secondary Education instead of DHSS and specifies that the complaints being made available to the public should not divulge any information that can identify the reporters (Section 210.203).

This bill also requires case workers to notify a juvenile officer if a child under their supervision goes missing or is suspected to be on the run. Once notified, the juvenile officer shall file with the court a notice in the child's case file that states the child is missing and include any other relevant information, which shall include the missing child report. If the missing child is found, the juvenile officer shall file with the court a notice in the child's case file that the child has been found and include any other relevant information (Section 210.795).

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

Attorney General's Office  
Office of Administration - Administrative Hearing Commission  
Office of Administration - Budget and Planning  
Department of Commerce and Insurance  
Department of Corrections  
Department of Elementary and Secondary Education  
Department of Health and Senior Services  
Department of Mental Health  
Department of Revenue  
Department of Public Safety  
Department of Social Services  
Missouri Office of Prosecution Services  
Office of Administration  
Office of the State Courts Administrator  
Office of the State Public Defender  
Newton County Health Department  
St. Louis County Health Department  
Branson Police Department  
Kansas City Police Department  
St. Joseph Police Department  
St. Louis County Police Department  
Phelps County Sheriff's Department



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