

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4771H.01I
Bill No.: HB 2330
Subject: Licenses - Driver's; Motor Vehicles; Children and Minors
Type: Original
Date: January 24, 2024

Bill Summary: This proposal modifies provisions relating to driving offenses committed by teen drivers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	(\$265,976)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$265,976)	\$0	\$0

*\$185,976 of these costs is for OA-ITSD services, which could be avoided with a delayed effective date.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other State Funds</u>	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
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 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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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

Administrative Impact – Driver License Bureau

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

- Work with OA ITSD to define requirements for changes to the current legacy Missouri Driver License (MODL) system to:
- Develop reporting and system monitoring points accumulation for intermediate license holders.
- Take action to downgrade operator privileges from an intermediate license to a permit only privilege if proposed point accumulation occurs in twelve-month period.
- Generate notice of action and required compliance requirements.
- Mandate and enter proof of completion of an approved driver training program as required to regain intermediate driving privileges after downgrade to a permit only status.
- Potentially develop an interface with approved training programs so they may submit proof of training compliance electronically.
- Complete testing and implementation of required changes.
- Work with MoDOT and current driver improvement programs to confirm acceptable training programs are established and can be confirmed for compliance of proposed minimum training hours for purposes of reinstatement of intermediate license privileges.
- Update Missouri Driver Manual
- Update internal policies and procedures.
- Communicate with law enforcement and others regarding process for downgrading of privileges as proposed.
- Update public website.
- Complete training with internal staff and external agencies and other as applicable.
- Complete requirements, development and testing of the required monitoring, notifications, downgrade, and compliance provisions such as provided for legacy MODL system in the new MVDL integrated system environment.

FY 2025 – Driver License Bureau

Research/Data Analyst 500 hrs. @ \$28.89 per hr. = \$14,445

Administrative Manager 80 hrs. @ \$31.36 per hr. = \$2,509

FY 2025 – Strategy and Communications Office

Associate Research/Data Analyst 80 hrs. @ \$23.15 per hr. = \$ 1,852

Total = **\$18,806**

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.

Administrative Impact – General Counsel’s Office

DOR notes, if the increase is more significant than anticipated or additional laws are passed that impact the General Counsel’s Office (GCO), additional FTE or attorneys may be requested through the appropriations process. It is unclear how many individuals will file a petition for review to the Associate or Circuit Court challenging the number of points assessed suspension/revocations once their driver licenses area suspended or revoked or contest the 40 hours supervised driving experience.

DOR notes OA-ITSD services will be required at a cost of **\$185,976** in FY 2025 (1,771.2 hours x \$105 per hour).

Oversight does not have any information to the contrary in regards to DOR’s assumptions; therefore, Oversight will reflect DOR’s OA-ITSD costs on the fiscal note.

DOR notes, statistics representing the total number of permit or intermediate license holders that may be affected by the prohibition of reduction of points was not available for analysis of this fiscal note. The Driver License Bureau is anticipating that the provisions of this law may affect less than 1% of the estimated 81,889 intermediate license holders aged 15 and 16 on file as of January 2024, which would equate to approximately 818 drivers. This expected annual volume would not require any additional FTE for entry of compliance and are estimated to result in a minimal cost impact for notifications of less than \$1,000 annually.

If the estimated volume would significantly increase based on the proposed changes, the Department may require additional FTE or increased budget item for mailing costs.

MVDL Integrated System Estimated Cost

The costs associated with these legislative changes may be outside of the current contract and identified programming work for DOR’s incoming integrated system referred to as FUSION. As such, the department has included the potential vendor costs associated with making the changes to the integrated system by the department’s current vendor.

New court compliance monitoring report: 40 development hours, 40 testing hours
 New Intermediate Driver License downgrade functionality/notifications: 120 development hours, 120 testing hours.

Total estimated integrated system vendor cost FY 2025 = **\$80,000** (320 x \$250 per hr.)

Oversight does not have information to the contrary and therefore, Oversight will reflect the Fusion implementation consultant costs as provided DOR.

Officials from the **Missouri Highway Patrol** and **Missouri Department of Transportation** each assume 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.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Cost – DOR – OA-ITSD services</u>	(\$185,976)	\$0	\$0
<u>Cost – DOR – Fusion implementation consultant</u>	(\$80,000)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(\$265,976)	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

Small businesses that provide driver education programs could be impacted as a result of this proposal.

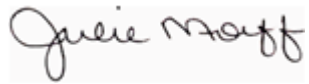
FISCAL DESCRIPTION

This proposal modifies provisions relating to driving offenses committed by teen drivers.

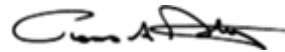
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Missouri Highway Patrol
Missouri Department of Transportation



Julie Morff
Director
January 24, 2024



Ross Strobe
Assistant Director
January 24, 2024