

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0443H.02C  
Bill No.: HCS for HB 169  
Subject: Roads and Highways; Agriculture; Transportation; Motor Vehicles  
Type: Original  
Date: February 12, 2025

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Bill Summary: This proposal modifies provisions relating to cotton trailers.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
Federal Highway Funds*	\$0 or Up to (\$453,256)	\$0 or Up to (\$1,087,814)	\$0 or Up to (\$2,719,534)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0 or Up to (\$453,256)</b>	<b>\$0 or Up to (\$1,087,814)</b>	<b>\$0 or Up to (\$2,719,534)</b>

\*Potential loss of federal highway funds if Missouri is found to be out of compliance with federal rules

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</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 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Missouri Department of Transportation (MoDOT)** assume the exception proposed in §307.010 could create a variance with Federal Motor Carrier Safety Regulation 393.100(b): Prevention against loss of load. Each commercial motor vehicle must, when transporting cargo on public roads, be loaded and equipped, and the cargo secured, in accordance with this subpart to prevent the cargo from leaking, spilling, blowing or falling from the motor vehicle. If a variance with federal law is found, Federal Motor Carrier Safety Administration (FMCSA) Program funding (MCSAP) could be withheld.

Missouri's FY 2025 MCSAP award is anticipated to be around \$10,878,136.

The penalty imposed upon states found to be in non-compliance can be as harsh as withholding all MCSAP funding, or potential withholding amounts are as follows:

YEAR 0 (during the FY that FMCSA notifies Missouri of its noncompliance): up to 5%

YEAR 1 (next full fiscal year): up to 10%

YEAR 2 (2nd full fiscal year): up to 25%

YEAR 3+ (ongoing until variance resolved): not more than 50%

**Oversight** estimates the following impact:

Year 0 (notification of noncompliance – partial year 10 months):	\$453,256
Year 1 (next full fiscal year):	\$1,087,814
Year 2 (second full fiscal year):	\$2,719,534
Year 3+ (ongoing until variance resolved):	\$5,439,068

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the potential loss of federal funding. Oversight will reflect the fiscal impact as \$0 (Missouri is not found to be out of compliance) up to the amounts listed above (Missouri is found to be out of compliance of federal rules).

Officials from the **Missouri Highway Patrol and Department of Revenue** 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 2026 (10 Mo.)	FY 2027	FY 2028
<b>FEDERAL HIGHWAY FUNDS</b>			
<u>Loss – MoDOT – potentially being out of compliance with federal rules</u>	\$0 or Up to <u>(\$453,256)</u>	\$0 or Up to <u>(\$1,087,814)</u>	\$0 or Up to <u>(\$2,719,534)</u>
<b>ESTIMATED NET EFFECT ON FEDERAL HIGHWAY FUNDS</b>	<b>\$0 or Up to <u>(\$453,256)</u></b>	<b>\$0 or Up to <u>(\$1,087,814)</u></b>	<b>\$0 or Up to <u>(\$2,719,534)</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

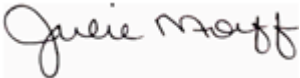
FISCAL DESCRIPTION

Currently, the maximum speed at which cotton trailers may travel is 40 miles per hour. This bill increases the maximum speed to 70 miles per hour and removes the requirement that the trailer is to be used exclusively for transporting cotton. The bill also specifies that cotton trailers are not in violation of the provisions relating to securing of loads if certain conditions are met and no portion of the load becomes dislodged.

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

Missouri Department of Transportation  
Department of Revenue  
Missouri Highway Patrol



Julie Morff  
Director  
February 12, 2025



Jessica Harris  
Assistant Director  
February 12, 2025