

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1471H.02P
Bill No.: Perfected HCS for HB 572
Subject: Motor Fuel; Taxation and Revenue - General; Department of Transportation;
Motor Vehicles; Transportation; Department of Revenue
Type: Original
Date: April 1, 2025

Bill Summary: This proposal modifies provisions related to transportation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2029)
General Revenue	(\$1,020,514)	(\$755,999)	(\$768,514)	(\$776,199)
Total Estimated Net Effect on General Revenue	(\$1,020,514)	(\$755,999)	(\$768,514)	(\$776,199)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2029)
Highway Fund (0644)	\$0	\$3,441,887	\$3,441,887	\$3,441,887
Missouri Air Emission Fund (1267)	\$0	(\$40,618)	\$0	\$0
Motor Vehicle Administration Technology Fund	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
Motor Vehicle Commission Fund (0588)	\$0	\$214,405	\$214,405	\$214,405
State Road Fund (0320)*	(Up to \$1,250,000)	Up to (\$15,390,338)	Up to (\$30,780,677)	Up to (\$46,171,015)
Total Estimated Net Effect on Other State Funds	Less than (\$1,250,000)	Less than (\$11,774,664)	Less than (\$27,124,385)	Less than (\$42,514,723)

*Oversight notes range of fiscal impact is based on whether MoDOT's internal expenditures are more or less than 20% of their total budget.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2029)
Federal Highway Funds*	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)
Total Estimated Net Effect on <u>All</u> Federal Funds	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)

*Potential loss of federal funds exceeding \$130 million due to noncompliance of federal regulations for §§71.025 & 226.510.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2026	FY 2027	FY 2028	Fully Implemented (FY 2029)
General Revenue	8.5 FTE	8.5 FTE	8.5 FTE	8.5 FTE
Total Estimated Net Effect on FTE	8.5 FTE	8.5 FTE	8.5 FTE	8.5 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 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 2026	FY 2027	FY 2028	Fully Implemented (FY 2029)
Local Government	Unknown	Less than (\$4,545,021)	Less than (\$10,237,338)	Less than (\$15,929,655)

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

§§21.795 & 142.805 – Department of Transportation Expenditures and the Motor Fuel Tax Rate

Officials from the **Missouri Department of Transportation (MoDOT)** expect a negative fiscal impact to the State Road Fund if internal expenditures, as defined in the bill, exceed twenty percent of total expenditures. MoDOT defers to the Department of Revenue for the impact of the corresponding fuel tax decrease.

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

Section 21.795 Joint Committee on Transportation Oversight

DOR notes this proposal adds language stating the Joint Committee must include additional information in their annual report. This provision will not impact DOR.

Section 142.805 Internal Expenditures

This proposal adds a new section that based on the internal expenditures of the MO Department of Transportation (MODOT) could modify the motor fuel tax rate. This proposal states that should MODOT spend more than 20% of their total department's expenditures on internal expenditures then the motor fuel tax rate would decrease one-half cent. The proposal states that the lower motor fuel rate reduction would begin the fiscal year following the calculation of this expenditure limit. This proposal does add language that the motor fuel tax rate could not be decreased more than one-half cent below the amount authorized in Section 142.803.

Additionally, if MODOT's internal expenditures were to be below 20% of their total department's expenditures the motor fuel tax could increase one-half cent or back to the rate authorized under Section 142.803, whichever is less. SB 262 (2021) allows the motor fuel tax rate to increase slowly over time. The current rates:

FY Tax Rate	Tax Increase	Total Motor Fuel Tax
FY 2021		\$0.17
FY 2022	\$0.025	\$0.195
FY 2023	\$0.05	\$0.220
FY 2024	\$0.075	\$0.245
FY 2025	\$0.10	\$0.270
FY 2026+	\$0.125	\$0.295

DOR notes this proposal is requiring DOR to monitor MODOT and their financial records in order to set a new motor fuel tax rate. DOR notes that they do not have access to their financial information. Additionally, this proposal does not require MODOT to share their financial records with DOR. DOR notes they would have to have an additional Auditor (\$60,960) to monitor their expenditures and make this calculation.

DOR notes that this proposal would require the rate to decrease/increase the fiscal year after the fiscal year of the expenditures. Therefore, the expenditures are to be known on June 30th and the next date a new rate goes into effect. However, it should be noted that DOR may not necessarily know what all of MODOT's expenditures for the fiscal year are in time for DOR to announce the new motor fuel rate and get notice to all its vendors. DOR notes that often it can take up to 60 days after a fiscal year ends to know all the expenditures for that year. Additionally, DOR requires a minimum of 60 days to get notice out to its motor fuel companies to change the rate and allow them to update their computer programs.

DOR notes that motor fuel tax is paid at the point the fuel is pulled from the rack and sent to be shipped to a retailer. The motor fuel companies pay the tax at that time. When a taxpayer goes to their local station and fills up, they pay for the fuel which includes the price of the tax. The tax collected at that point is reimbursing the motor fuel company for their prepayment of the tax. SB 262 created a refund process for a certain portion of the motor fuel. This proposal will make the refund process more difficult to implement.

Delays in the calculation of the motor fuel rate could result in motor fuel companies not being allowed to pull fuel for distribution, and motor fuel not being available for purchase by the consumers. Or DOR may have to require that motor fuel companies continue collecting at the current rate and then be out the additional payments if the rate is increased and they cannot seek reimbursement from the consumers. And in years where the rate is eventually decreased by MODOT's expenditures, a refund process for the motor fuel companies would need to be set up. Therefore, the motor fuel companies would receive additional payments that could not be refunded to consumers.

Additionally, this would require the taxpayers to keep track of potentially two different rates to receive their refund. The refund is currently based on the amount of tax paid. DOR notes that making changes to its refund computer program, its motor fuel tax program and its forms annually will require \$30,000.

DOR notes that if the number of errors on the refund forms increase, DOR would need to hire additional FTE. DOR would seek these FTE through the appropriations process.

DOR defers to MODOT for the impact of their expenditures and whether the rate may change in future fiscal years.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates for 1 FTE as provided by DOR.

Officials from the **Office of Administration - Budget and Planning (B&P)** assume the following regarding this proposal:

Section 142.805 – Motor Fuel Tax

This proposal would reduce the motor fuel tax rate by \$0.005 each year that MoDOT's internal expenditures are at least 20% of their total expenditures. Each reduction would be \$0.005, with up to three total reductions allowed. The fuel tax rate may not be reduced below the rate in effect on August 28, 2025. B&P notes that the motor fuel tax rate on that day will be \$0.295. Therefore, the motor fuel tax rate could be reduced to \$0.28.

B&P notes that this proposal would become effective August 28, 2025, which is during FY 2026. Therefore, B&P assumes that any impacts to the motor fuel tax rate would not occur until FY 2027, based on FY 2026 expenditures.

On the other side, for any fiscal year where MoDOT expenditures did not exceed 20%, if the fuel tax has been reduced under this proposal, the following fiscal year the tax rate will increase by \$0.005, until it again reaches \$0.295 per gallon.

Based on the expenditure report published by MoDOT, internal expenditures were greater than 20% once from FY 2020 through FY 2023.

B&P cannot determine exactly when and how many reductions (or increases) may occur in any given year. For the purpose of this fiscal note, B&P will reflect the maximum potential revenue impact through the full \$0.015 reduction. Because only one reduction is allowed per year, it would be at least FY 2029 before a full \$0.015 could be realized. Table 1 shows the potential tax rates through full implementation.

Table 1: Current and Potential Tax Rates

Expenditure Year	Fuel Tax Year	Current Tax Rate	Max # Cumulative Reductions	Max \$ Cumulative Reduction	Min Fuel Tax
FY 2026	FY 2027	\$0.295	1	\$0.005	\$0.290
FY 2027	FY 2028	\$0.295	2	\$0.010	\$0.285
FY 2028	FY 2029	\$0.295	3	\$0.015	\$0.280

In FY 2024, motor fuel tax collections were \$1,033,050,104 at a tax rate of \$0.245. Therefore, B&P estimates that 4,216,531,035 gallons of fuel (gas and diesel) were sold in Missouri.

Using the above information, B&P assumes that had the tax rate been \$0.295, motor fuel tax collections would have been \$1,243,876,655 (4,216,531,035 gallons x \$0.295 per gallon). Therefore, B&P estimates that each \$0.005 reduction to the fuel tax rate could reduce fuel tax revenues by \$21,082,655. Table 2 shows the maximum possible loss by fiscal year.

Table 2: Potential Motor Fuel Tax Revenue Impacts

Fiscal Year	Min Fuel Tax	Max Revenue Loss
FY 2027	\$0.290	(\$21,082,655)
FY 2028	\$0.285	(\$42,165,310)
FY 2029	\$0.280	(\$63,247,966)

B&P notes that the motor fuel tax is distributed to the State Road Fund (73%), County Aid Road Trust Fund (CART, 12%), and other local funds (15%).

Therefore, this proposal could reduce state revenues by \$15,390,338 and local funds by \$5,692,317 for every \$0.005 reduction that occurs. If all three reductions were to occur, this proposal could reduce state revenues by \$46,171,015 and local revenues by \$17,076,951. Table 3 shows the maximum potential revenue loss by fund and fiscal year.

Table 3: Potential Loss by Fund

	FY 2027	FY 2028	FY 2029
State Fund			
State Road Fund	(\$15,390,338)	(\$30,780,677)	(\$46,171,015)
Local Funds			
CART	(\$2,529,919)	(\$5,059,837)	(\$7,589,756)
Other	(\$3,162,398)	(\$6,324,797)	(\$9,487,195)
Total Local	(\$5,692,317)	(\$11,384,634)	(\$17,076,951)

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by B&P.

Oversight notes the Motor Fuel Tax can be reduced/increased by \$.005 per gallon the following fiscal year if certain expenditure requirements are met, but the tax may not be reduced more than \$.015 per gallon below the rate as of August 28, 2025. Oversight assumes the rate based on B&P response will be \$0.295 as of August 28, 2028. For purposes of this fiscal note, Oversight assumes the fuel tax could not increase beyond the rate as of August 28, 2025. If reductions occurred consecutively for three years, this would result in a cumulative loss of revenues of \$63 M by FY 2029 and if no reductions occurred this would result in no change from the \$0.295 cap. Dependent on the Department of Transportation's expenditure report, there is potential for rate increases or reductions, but the resulting impact would be a rate less than \$0.295 but greater than \$0.28. Therefore, Oversight will show a loss of 'Up to' the maximum reduction.

Officials from the **Missouri House of Representatives** and **Missouri Senate** 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.

§68.080 – Waterways and Ports Trust Fund

In response to a similar proposal from 2025 (SB 125), officials from the **Missouri Department of Transportation, Office of Administration - Budget and Planning, Missouri House of Representatives** and **Missouri Senate** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight notes Section 68.080 was added by SB 138 in 2023. Oversight notes there was a balance of \$5,148,695 in the Waterways and Ports Trust Fund (0237) as of December 31, 2024.

§71.025 – City Populations on City Limit Signs

In response to a similar proposal from 2025 (HCS for HB 272), officials from the **Missouri Department of Transportation (MoDOT)** stated the Code of Federal Regulations requires MoDOT to comply with the Manual on Uniform Traffic Control Devices (MUTCD), which represents the national standard for the application of traffic control devices on all roadways open to public travel.

The 11th Edition of the MUTCD, published in 2023, includes a prohibition on sign clutter caused by the inclusion of additional information on city limit signs, such as populations. Noncompliance could jeopardize federal highway funds as determined by the Federal Highway Administration, to an unspecified degree, resulting in an unknown negative fiscal impact on the department.

It costs MoDOT an average of \$1 million every 10 years to update city population signs when a new census is released because the signs do not age out at the same time the update is needed.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by MoDOT. For fiscal note purposes, Oversight will reflect the \$1 million estimated cost all in FY 2026. Oversight assumes, because of the new federal regulations in 2023, existing signs have not been updated with any additional information on city limit populations. In order to comply with the requirements of this proposal, Oversight will assume any cost to update city limit signs will be done in FY 2026 for this proposal.

Oversight will also reflect a \$0 (Missouri is found to be in compliance with federal regulations) to an “Unknown” loss of federal highway funds (Missouri is found to be out of compliance with federal regulations). Oversight assumes the potential loss of federal highway funds could exceed \$250,000.

In response to a similar proposal from 2025 (HCS for HB 272), officials from the **City of Kansas City** and **City of Osceola** each assumed the proposal would 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 local political subdivisions 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.

§168.133 - Criminal Background Checks

In response to a similar proposal from 2025 (SB 460), officials from the **Department of Elementary and Secondary Education** and **Missouri Highway Patrol** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight received no responses from school districts related to the fiscal impact of this proposal. Oversight has presented this fiscal note on the best current information available. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note. Oversight only reflects the responses received from state agencies and political subdivisions; however, school districts 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.

Oversight notes this proposal adds charter schools to provisions of state law requiring background checks to be conducted on school personnel. The proposal requires background checks to be conducted not only on school bus drivers, but also on the drivers of other vehicles owned by school districts and charter schools. For drivers employed or contracted by a pupil transportation company that is under contract with a school district or charter school, the pupil transportation company shall conduct the criminal background check.

Oversight assumes a minimal amount of additional revenue will be collected into the Criminal Records Fund from additional background checks as a result of this proposal and will not reflect it in the fiscal note.

§226.006 – Dynamic Messaging Signs

In response to a similar proposal from 2025 (HCS for HB 272), officials from the **Missouri Department of Transportation** assumed the provision 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.

§226.096 – Department of Transportation Contracts

In response to a similar proposal from 2025 (HB 1369), officials from the **Missouri Department of Transportation (MODOT)** assumed the following regarding this proposal:

This bill could lead to a negative fiscal impact for the Department. Requiring specification modifications to undergo the formal rule-making process would massively delay the implementation of needed changes. Currently, the Department's Chief Engineer has the statutory authority (§226.040) to change specifications. This process can quickly adopt new technology, new products, and new standards as they become available, ensuring that projects on the state highway system are of the highest standard and quality.

A delay in changing specifications would lead to projects being delivered at old standards, lowering quality. It would then increase both maintenance costs and the likelihood of more work being needed later to bring an asset to the acceptable, new standard.

Oversight assumes MoDOT will not incur any direct costs due to this proposal; therefore, Oversight will not reflect a fiscal impact.

§226.510 – Advertising on Fencing or Fields Owned or Leased by Schools

In response to a similar proposal from 2025 (HB 1369), officials from the **Missouri Department of Transportation (MoDOT)** stated the department has been warned by Federal Highway Administration (FHWA) that this section may constitute a failure to maintain effective control of outdoor advertising as required by 23 USC 131(c) and 23 CFR 750.705. This could cause Missouri to lose up to ten (10) percent of its annual share of FHWA construction money as provided in 23 USC 131(b) and Missouri's federal-state agreement between MoDOT and the Federal Highway Administration dated February 22, 1972. Ten percent of federal aid dollars equates to approximately **\$130 million**.

Oversight does not have information to the contrary and therefore, Oversight will reflect a \$0 (Missouri is found to be in compliance with federal regulations) to a loss of \$130 million in federal highway funds (Missouri is found to be out of compliance with federal regulations).

§§226.540 & 226.550 – Outdoor Advertising Permits

In response to a similar proposal from 2025 (HB 1369), officials from the **Department of Transportation (MoDOT)** assumed this proposal would waive the permit fee and biennial fee for landowners, provided the landowner is the permit holder and owns both the land the sign is located on and the business advertised on the sign.

This proposal is estimated to have a negative fiscal impact to MoDOT of \$2,750 annually.

Language added under §226.540(4) may increase new permit fees and biennial inspection fees collected in un-zoned areas by \$3,500 annually. In 2024, there were 14 billboard permits issued in un-zoned areas along a primary route. MoDOT estimates that language under §226.540(4) would allow an additional 14 permits to be issued in un-zoned areas along a primary route on the opposite side of the travel way.

14 billboard permits x \$200 new permit fee = \$2,800

Biennial inspection fee of \$100 x 14 billboard permits issued / 2 = \$700

$\$7,800 + \$700 = \$3,500$ annually

Language added under §226.550.1, 2, and 4 may decrease the biennial inspection fees for landowners by \$6,250 annually.

There are 125 (estimated) landowners that are also the permit holder and advertiser x \$100 biennial inspection fee / 2 = \$6,250.

Cumulative impact is $\$6,250 - \$3,500 = \$2,750$

Oversight assumes MoDOT is provided with core funding to handle a certain amount of activity each year. Oversight assumes MoDOT could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, MoDOT could request funding through the appropriation process.

§226.1170 – Ozark Highland Spirits Region Signage

In response to a similar proposal from 2025 (HB 1369), officials from the **Missouri Department of Transportation** assumed the provision would 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.

§227.101 – Publishing of Costs and Completion Date for the State Highway System

In response to a similar proposal from 2025 (HB 239), officials from the **Missouri Department of Transportation (MoDOT)** assumed the following regarding this proposal:

MoDOT does not publish the Engineer's Estimate to maintain the integrity of the confidential bidding system and to ensure fair competition among bidders. Publishing the Engineer's Estimate would allow contractors to decipher MoDOT's estimating methodology costs which would likely contribute to bid rigging and bidder collusion. This would result in an unfair advantage to some bidders, insufficient competition between bidders, increased construction costs and a poor and inefficient use of taxpayer funds.

Additionally, the Federal Highway Administration and USDOT Office of the Inspector General both recognize the dangers of publishing the Engineer's Estimate and strongly caution against doing so to ensure adequate competition among bidders and a fair process for all bidders.

MoDOT assumes an unknown negative fiscal impact to the State Road Fund.

Oversight assumes the fiscal impact estimated by MoDOT would be a potential indirect impact; therefore, Oversight will not reflect a direct fiscal impact on the fiscal note.

§227.850 – Memorial Sign Provisions

In response to a similar proposal from 2025 (HCS for HB 272), officials from the **Missouri Department of Transportation** assumed the provision would 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.

§227.855 – Medal of Honor Signs in Missouri Recipients’ Hometowns

In response to a similar proposal from 2025 (HCS for HB 272), officials from the **Missouri Department of Transportation (MoDOT)** assumed there would be no fiscal impact to the department as the signs would be funded through the Missouri Medal of Honor Recipients Fund (0401) per §226.925. MoDOT notes as of 2021, there were 99 Congressional Medal of Honor recipients in Missouri. There is a \$4,000 fee for two signs, one in each direction.

Oversight notes the Missouri Medal of Honor Recipients Fund (0401) had a balance of \$350,995 as of December 31, 2024.

Oversight notes $99 \text{ (number of recipients)} \times \$4,000 \text{ (cost for signs)} = \$396,000$; however, some recipients could be from the same town and appear on the same sign. Currently, there are not enough funds in the Missouri Medal of Honor Fund to cover these costs.

The proposal does not determine what occurs when this happens; therefore, Oversight will reflect a \$0 (MoDOT waits for additional funds to be deposited into the Missouri Medal of Honor Fund) up to “Less than \$250,000” cost to the State Road Fund (if MoDOT is required to install the signs regardless of available funds.) Oversight will reflect the costs in FY 2026 only as we assume there will not be a significant number of recipients each year once the initial signs are installed. Oversight assumes there will be available funds at that point to cover the costs of the signs for new recipients.

§§229.130, 229.160, 229.210, 229.20, 229.222, 229.270, 229.420, 229.430, 229.440 & 229.450 – Transportation Provisions

In response to a similar proposal from 2025 (HB 1284), officials from **Missouri Department of Transportation, Department of Public Safety - Missouri Highway Patrol** and **Department of Revenue** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

In response to a similar proposal from 2025 (HB 1284), officials from the **City of Kansas City** and the **City of O’Fallon** each assumed the proposal would have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight notes the following misdemeanor convictions for violations of §229.210 (driving on a bridge/highway under construction):

Fiscal Year	Number of Misdemeanor Convictions (§229.210)
2024	5
2023	22
2022	19
2021	5
2020	20
2019	5

Oversight notes there is a fine of not less than \$500 and not more than \$1,000 for violations of §229.210. Oversight notes the proposal is eliminating the misdemeanor charge; therefore, fine revenue will decrease. However, Oversight notes the number of convictions have been minimal; therefore, Oversight will not reflect the decrease in fine revenue on the fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other local political subdivisions 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.

§238.060 – Kansas City Area Transportation Authority (KCATA)

In response to a similar proposal from 2025 (HB 858), officials from the **City of Kansas City** assumed the proposal would 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.

Oversight assumes this proposal clarifies if there is a commissioner vacancy on the KCATA and will have no direct fiscal impact.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other counties 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.

§§300.295 & 304.035 – Railroad Crossings

In response to a similar proposal from 2025 (SB 254), officials from the **Missouri Department of Transportation, Missouri Highway Patrol, Office of the State Public Defender and Missouri Office of Prosecution Services** each assumed the proposal would have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

In response to a similar proposal, HB 2636 (2024), officials from the **Office of the State Courts Administrator** assumed the proposal would 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 for this agency.

Oversight notes the following Misdemeanor guilty dispositions for Section 304.035 over the past few years based upon information provided by the Office of the State Courts Administrator:

	2024	2023	2022	2021
Drive Through RR Crossing:	0	0	1	1
Failure to Obey Traffic Dev.	6	1	4	8
Failure to Stop at RR Track	1	2	3	0
Failure to Obey RR – Hwy	0	1	1	0
Failure to Slow – Comm. Veh.	0	0	0	0
Total	7	4	9	9

Oversight assumes any increase in ticket/fine revenue resulting from the change in this proposal will not be material and will not reflect a fiscal impact in the note.

§§301.055, 301.070 & 301.140 – Flat Fee for Motor Vehicle Registrations

In response to as similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Motor Vehicle Bureau

The proposed bill will change current registration fees to a flat fee of \$25 for non-commercial motor vehicles and \$10 for motorcycles, motor-tricycles, and autocycles.

The bill also removes the horsepower language when trying to determine the applicable fees for the transfer of registration.

Administrative Impact

To implement the proposed legislation the department will be required to:

- Create/update procedures, training manuals, notices, and forms
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2027 – Motor Vehicle Bureau

Associate Research/Data Analyst 160 hrs. @ \$26.03/hr. = \$4,165

Administrative Manager 40 hrs. @ \$35.10/hr. = \$1,404

Research/Data Analyst 60 hrs. @ \$27.87/hr. = \$1,672

FY 2027 – Strategy and Communications Office

Associate Research/Data Analyst 100 hrs. @ \$26.03/hr. = \$2,603

Total Cost = **\$9,844**

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. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

Revenue Impact

Currently there are 3,722,021 motor vehicles other than commercial motor vehicles registered. Using the current fee chart the total amount of revenue collected for registrations is \$87,270,501.

Horsepower	Fee	Number of Active Registrations	Total Collected
12HP – 23HP or Electric or LSV	\$21.00	1,958,862	\$41,136,102
24HP – 35HP	\$24.00	1,358,532	\$32,604,768
36HP – 47HP	\$33.00	235,426	\$7,769,058
48HP – 59HP	\$39.00	123,746	\$4,826,094
60HP – 71HP	\$45.00	3,383	\$152,235
72HP+	\$51.00	756	\$38,556
Total		3,722,021	\$87,270,501

Twenty-five cents of the proposed \$25 is still to be credited to the Railroad Grade Crossing Safety Account prescribed in Section 389.612. The railroad crossing fee will not see change as DOR will be processing the same number of transactions and there is no increase in the fee.

Calculations based off current number of registrations multiplied by the proposed flat fee of \$24.75:

$$3,722,021 \times \$24.75 = \$92,119,797$$

DOR notes there are 117,062 motorcycles and motor-tricycles registered. Using the current fee chart the total amount of revenue collected for registrations is \$1,001,840.

	Number of Active Registrations	Fee	Total Collected
Motorcycle	112,520	\$8.50	\$956,420
Motor-tricycle	4,542	\$10.00	\$45,420
Total	117,062		\$1,001,840

Twenty-five cents of the proposed \$10 is still to be credited to the Railroad Grade Crossing Safety Account prescribed in Section 389.612. The railroad crossing fee will not see change as they will be processing the same number of transactions and there is no increase in the fee.

Calculation of 117,062 motorcycles and motor-tricycles using the proposed flat fee of \$9.75:

$$117,062 \times \$9.75 = \$1,141,355$$

Difference of total under current system vs. projected language:

$$\$92,119,797 + (\$87,270,501) + \$1,141,355 + (\$1,001,840) = \$4,988,811$$

Projection of **\$4,988,811** increase to highway and local (MoDOT) revenue annually.

Oversight will reflect an increase in revenue from motor vehicle registrations of \$4,849,296 (\$92,119,797 - \$87,270,501) for motor vehicle registrations and an increase in revenue of \$139,515 for motorcycle/motor-tricycle registrations to the Highway Fund (75%), Cities (15%) and Counties (10%). Oversight will reflect the increase in FY 2027 and FY 2028 as DOR assumes their new integrated motor vehicle/driver license system will not be implemented until FY 2027.

FUSION Impact

Implementation Consultant \$225/hour x 200hrs = **\$45,000**

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

Oversight does not have information to the contrary and therefore, Oversight will reflect the FUSION estimates as provided by DOR.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Office of Administration - Budget and Planning (B&P)** assumed this section would eliminate the annual registration fee schedule for motor vehicles (other than commercial motor vehicles) and instead sets the annual fee for motor vehicles at \$25 and for motorcycles, motor-tricycles, and autocycles at \$10, both of which shall include the railroad crossing safety fee which is currently set at \$0.25 in Section 389.612. This adjustment will impact revenue collected from annual registrations. DOR may be able to provide more specific estimates.

§301.110 – Alternative Fuel Decal Fee Collections

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

DOR notes the proposed bill will have customers pay the alternative fuel vehicle fee at the time of registration issuance and renewal. This change will allow annual and biennial special fuel receipts. This authorizes the director to provide a receipt showing alternative fuel fees have been paid in place of a decal.

Administrative Impact

To implement the proposed legislation the department will be required to:

- Create/update procedures, training manuals, notices, and forms
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 60 hrs. @ \$26.03/hr. = \$1,562

Administrative Manager 20 hrs. @ \$35.10/hr. = \$702

Research/Data Analyst 30 hrs. @ \$27.87/hr = \$836

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 60 hrs. @ \$26.03/hr. = \$1,562

Total Cost = **\$4,662**

The proposed legislation may cause an increase in telephone inquiries and email correspondence received by the Department. If the volume is more significant than anticipated, additional FTE's will be requested through the appropriation process.

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. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

FUSION Impact

DOR notes:

Implementation Consultant \$225/hour x 200hrs = **\$45,000**

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

Oversight does not have information to the contrary and therefore, Oversight will reflect the FUSION estimates as provided by DOR.

§301.130 – License Plate Covers

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue** and **Missouri Highway Patrol** each assumed the proposal would 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.

§301.142 – Disabled Placards

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

The proposal gives the authority to automatically renew current valid disabled placards for a duration of eight years, or the duration that correlates with the person's current physician statement expiration date, until all permanent placards are on an eight-year renewal cycle.

Administrative Impact

To implement the proposed legislation the department will be required to:

- Create new procedures, training manuals, notices, and forms
- Update procedures, forms, and correspondence
- Update associated fee charts, and the Department website
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2027 – Motor Vehicle Bureau

Associate Research/Data Analyst 100 hrs. @ \$26.03/hr. = \$2,603

Administrative Manager 20 hrs. @ \$35.10/hr. = \$702

Research/Data Analyst 50 hrs. @ \$27.87/hr. = \$1,394

FY 2027 – Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$26.03/hr. = \$1,041

Research/Data Analyst 50 hrs. @ \$27.87/hr. = \$1,394

Total Cost = **\$7,134**

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. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

FUSION Impact

DOR notes:

Implementation Consultant \$225/hour x 200hrs = **\$45,000**

Oversight does not have information to the contrary and therefore, Oversight will reflect the FUSION estimates as provided by DOR.

§301.142 – Occupational Therapists/Physician’s Statements

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

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

- Update procedures, forms, and the Department web site
- Send communications to license offices and Missouri citizens

FY 2026 – Strategy & Communications Office

Associate Research/Data Analyst 40 hrs. @ \$26.03/hr. =\$1,041

Research/Data Analyst 50 hrs. @ \$27.87/hr. =\$1,394

Total = **\$2,435**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

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 DOR assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Health and Senior Services** assumed the proposal would 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.

§§301.147 & 643.315 – Motor Vehicle Emissions Inspections & Even/Odd Registrations Periods

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

DOR notes the proposal removes the even-even odd-odd rule for emissions inspections and requires an emissions inspection for all registration issuance and renewals.

To implement the proposed legislation the department will be required to:

- Create new procedures, training manuals, notices, and forms
- Update procedures, forms, and correspondence
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2027 – Motor Vehicle Bureau

Associate Research/Data Analyst 50 hrs. @ \$26.03 per hr. = \$1,301

Administrative Manager 30 hrs. @ \$35.10 per hr. = \$1,053

Research/Data Analyst 60 hrs. @ \$27.87 per hr. = \$1,672

FY 2027 – Strategy and Communications Office

Associate Research/Data Analyst 100 hrs. @ \$26.03 per hr. = \$2,603

Research/Data Analyst 50 hrs. @ \$27.87 per hr. = \$1,394

Total Costs = **\$8,023**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

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. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

FUSION Impact

DOR notes:

Implementation Consultant \$225/hour x 200hrs = **\$45,000**

Oversight does not have information to the contrary and therefore, Oversight will reflect the FUSION estimates as provided by DOR.

License Office Bureau

Administrative Impact

For the sections above, the License Office Bureau estimates their own separate administrative impact to:

- Update procedures
- Update training information
- Provide training to license office (LO) staff
- LO outreach in License Office News (LON) articles

FY 2027 License Office Bureau

Staff Development Manager 40 hrs. @ \$22.49/hr. = \$900

Administrative Manager 20 hrs. @ 36.06/hr. = \$721

Total = **\$1,621**

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. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

FUSION Impact

DOR notes:

Implementation Consultant \$225/hour x 160hrs = **\$36,000**

Oversight does not have information to the contrary and therefore, Oversight will reflect the FUSION costs as provided by DOR.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Natural Resources (DNR)** assume the following regarding this proposal:

At Section 643.315.1 the bill would remove the requirement for even numbered model year vehicles to get an emission inspection in even years, and vice versa for odd model year vehicles. State regulation 10 CSR 10-5.381 includes the requirement that even numbered model year vehicles be tested in even calendar years and odd numbered model year vehicles be tested in odd calendar years.

Therefore, this bill would require the department to amend the state regulation. The team member time needed to develop the rulemaking is estimated at 300 staff hours for an Environmental Program Analyst position. This would be a one-time cost to MDNR of \$8,332. The department anticipates being able to absorb these costs. However, until the FY2 2026 budget is final, the department cannot identify specific funding sources.

Oversight assumes DNR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DNR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DNR could request funding through the appropriation process.

DNR notes at Section 643.315.1 the bill would remove the requirement for even numbered model year vehicles to get an emission inspection in even years, and vice versa for odd model year vehicles. As such, any vehicle registration transfers (used vehicle sales) that occur in a year that does not match the odd/even characteristic of the model year of the vehicle, would get two years between the initial inspection and the first renewal inspection, instead of only one year. Therefore, there would be fewer vehicles tested in the second year after this bill passes. However, the inspections would catch back up to normal in the third and subsequent years after the bill passes.

Based on a query of registration data and emission testing data in FY 2023 and FY 2024, there were a total of 64,987 vehicle registration transfers (used vehicle sales) that were required to take an emission test because of the vehicle registration transfer. Therefore, the annual average during the last two years was 32,494 vehicles. If the department takes this annual average and assumes that half of the vehicle registration transfers are even-numbered model year vehicles and half are odd-numbered model year vehicles, then the department would expect to see a reduction in initial inspections during the second year after the bill passes (FY 2027) of 16,247 inspections.

The fee for the initial emissions test is \$24, of which \$2.50 is paid to the State. Therefore, the department estimates a reduction in state revenue from inspection fees of approximately \$40,618 that would occur in FY 2027, but no reduction in inspection fee revenue any other year (FY 2026 or FY 2028 and beyond).

Summary of impacts:

\$40,618 one-time reduction in FY 2027 (Fund 1267 - Missouri Air Emission Reduction Fund)
Environmental Program Analyst costs of \$8,332 (based on annual salary of \$57,768), not including fringe and indirect - The department anticipates being able to absorb these costs.

Oversight does not have information to the contrary and therefore, Oversight will reflect the one-time loss of emissions inspection fees indicated by DNR.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Missouri Highway Patrol** assumed the proposal would 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.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Missouri Department of Transportation** deferred to DOR for the potential fiscal impact of this proposal.

§301.448 – Military Specialty Plates

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

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

- Update charts, procedures and the Department website
- Update the Application for Missouri Personalized and Special License Plate (DOR-1716 and DOR-4601)

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 60 hrs. @ \$26.03 per hr. = \$1,562

Research/Data Analyst 20 hrs. @ \$27.87 per hr. = \$557

Administrative Manager 10 hrs. @ \$35.10 per hr. = \$351

FY 2026– Strategy and Communications Office

Associate Research/Data Analyst 60 hrs. @ \$26.03 per hr. = \$1,562

Research/Data Analyst 20 hrs. @ \$27.87 per hr. = \$557

Administrative Manager 10 hrs. @ \$35.10 per hr. = \$351

Overall Total = **\$4,940**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

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 DOR assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Missouri Veterans Commission** assumed the proposal would 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.

\$301.469 – Missouri Conservation Heritage Foundation Specialty Plates

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

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

- Update charts, procedures and the Department website
- Update the Application for Missouri Personalized and Special License Plate (DOR-1716)
- Complete programming and user acceptance testing for identified systems

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 80 hrs. @ \$26.03 per hr. = \$2,082

Research/Data Analyst 20 hrs. @ \$27.87 per hr. = \$557

Administrative Manager 10 hrs. @ \$30.25 per hr. = \$302

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$22.33 per hr. = \$893

Total costs: \$3,834

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle 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 (SB 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.

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.

DOR notes OA-ITSD services will be required at a cost of **\$22,339** in FY 2025 (212.76 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.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Missouri Department of Conservation** assumed the proposal would 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 for this agency.

§301.558 – Trailer Dealers

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

To implement the proposed legislation the department will be required to:

- Create new procedures, training manuals, notices, and forms

- Update procedures, forms, and correspondence
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2026 – Motor Vehicle Bureau

Research/Data Analyst 60 hrs. @ \$27.00 per hr. = \$1,620

Administrative Manager 30 hrs. @ \$29.31 per hr. = \$879

Associate Research/Data Analyst 100 hrs. @ \$25.22 per hr. = \$2,522

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 100 hrs. @ \$21.64 per hr. = \$2,164

Research/Data Analyst 50 hrs. @ \$27.00 per hr. = \$1,350

Total Costs = \$8,535

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

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.

Revenue Impact

In FY 2023, there were 112,154 trailers titled. The department is unable to determine which trailer dealers would opt in to charging an administrative fee.

There could be an increase in monies received by the department due to the requirement provided in §301.558.3(1) which states, any dealer charging administrative fees must remit 10% of the collected fee to the Motor Vehicle Administration Technology Fund.

Oversight assumes there could be an increase in revenue to the Motor Vehicle Administration Technology Fund due to trailer dealers being able to charge an administrative fee on sales; therefore, Oversight will reflect a \$0 (no trailer dealers opt in to charge the administrative fee) to an “Unknown” amount of revenue (some or all trailer dealers opt in to charge the administrative fee).

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Office of Administration - Budget and Planning (B&P)** stated this section would now allow trailer dealers the ability to collect an administrative fee in connection with any sale or lease of a new or used trailer. Ten percent of this fee shall be remitted to the Motor Vehicle Administration Technology Fund for development of the motor vehicle/drivers' licensing integrated system, and once the system is functional three and one half percent of the fee shall be remitted to the fund for system maintenance. This expansion of the fee to trailer dealers will positively impact total state revenues. DOR may be able to provide more specific impacts on estimates.

§301.560 – Dealer Plate Fees and Applications

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

DOR notes the proposed changes would take the fees collected for dealer plates and deposit the money in the Motor Vehicle Commission Fund.

The bill provides the option to issue tabs rather than new plates when renewing a dealer license. Fees collected from the issuance of dealer plates would be deposited in the Motor Vehicle Commission Fund.

Language requires every new application for a new motor vehicle franchise dealer to include a certification that the applicant has a bona fide established place of business. Such application shall include an annual certification that the applicant has a bona fide place of business for the first three years and only for every other year thereafter.

Administrative Impact

To implement the proposed legislation the department will be required to:

- Create /update procedures, training manuals, notices, and forms
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 260 hrs. @ \$26.03 per hr. = \$ 6,768

Administrative Manager 80 hrs. @ \$35.10 per hr. = \$ 2,808

Research/Data Analyst 150 hrs. @ \$27.87 per hr. = \$ 4,181

FY 2026 – Strategy and Communications Office

Associate Research/Data Analyst 240 hrs. @ \$26.03 per hr. = \$6,247

Research/Data Analyst 150 hrs. @ \$27.87 per hr. = \$4,181

Total Costs = **\$24,184**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

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. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

FUSION Impact

DOR notes:

Implementation Consultant \$225/hour x 200hrs = **\$45,000**

Oversight does not have information to the contrary and therefore, Oversight will reflect the FUSION estimates as provided by DOR.

Revenue Impact

Past renewals:

In calendar year 2022 2,479 dealers renewed ordering a total of 12,296 dealer plates.

Master plates 2,479 x \$50 = \$123,950

Additional plates 9,817x \$10.50 = \$103,079

In calendar year 2023 4,329 dealers renewed ordering a total of 43,154 dealer plates.

Master plates 4,329 x \$50 = \$216,450

Additional plates 38,825 x \$10.50 = \$407,663

In calendar year 2024 4,913 dealers renewed ordering a total of 14,637 dealer plates.

Master plates 4,913 x \$50 = \$245,650

Additional plates 9,724 x \$10.50 = \$102,102

Annual estimated revenue under current system:

Master plates $3,907 \times \$50 = \$195,350$
Additional plates $19,455 \times \$10.50 = \$204,278$
TOTAL: $23,362 = \$399,628$

Annual estimated revenue under proposed language:

First tab $3,907 \times \$25 = \$97,675$
Additional tabs $19,455 \times \$6 = \$116,730$
TOTAL $23,362 = \$214,405$

NOTE: Currently, registration fees are collected on behalf of MoDOT and deposited into the Highway and local funds. The proposed language would move the deposit of these funds to the Motor Vehicle Commission (MVC) Fund headed by DOR. Therefore, should the proposed language go into effect, the Department would receive an annual revenue increase of \$214,405 to the MVC Fund. However, this would also result in a projected loss to MoDOT of \$399,628 annually.

It is important to note that this proposed language will not go into effect until FY 2027.

Oversight does not have information to the contrary and therefore, Oversight will reflect an increase in revenue of \$214,405 to the Motor Vehicle Commission Fund (0588) and a decrease in revenue of \$399,628 to the Highway Fund (75%), Cities (15%) and Counties (10%).

Oversight notes there was a balance of \$918,039 in the Motor Vehicle Commission Fund (0588) as of January 31, 2025.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Office of Administration - Budget and Planning (B&P)** stated this section would exempt the fees collected on dealer plates from being deposited into the Motor Vehicle Commission Fund and instead provides the option to issue tabs for a fee of \$25 for the first tab and \$6 for each additional tab rather than new plates when renewing a dealer license to be deposited into the Motor Vehicle Commission Fund. DOR may be able to provide more specific impacts on potential impacts on revenues.

§§301.3181 & 301.3182 - Specialty License Plate for Veterans of Military Operations in Afghanistan and Iraq

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

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

- Update charts, procedures and the Department web site
- Update the Application for Missouri Personalized and Special License Plate (DOR-1716 and DOR-4601)
- Complete programming and user acceptance testing for identified systems

FY 2026 – Motor Vehicle Bureau

Associate Research/Data Analyst 53 hrs. @ \$22.33 per hr. = \$1,183

Research/Data Analyst 13 hrs. @ \$27.87 per hr. = \$362

Administrative Manager 7 hrs. @ \$30.25 per hr. = \$212

FY 2026– Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$22.33 per hr. = \$893

Total = **\$2,650**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

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.

DOR notes OA-ITSD services will be required at a cost of **\$14,506** in FY 2025 (138.15 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.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Missouri Department of Transportation** deferred to DOR for the potential fiscal impact of this proposal.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Missouri Veterans Commission** assumed the proposal would 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.

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Office of Administration - Budget and Planning (B&P)** stated these sections would create a new Afghanistan and Iraq Veteran vehicle license plate. Eligible veterans may apply for the plate and pay a \$15 fee in addition to the regular registration fees. These additional revenues would be deposited into General Revenue would positively impact total state revenues. DOR may be able to provide estimated impacts from this new fee.

According to a report provided by the Department of Revenue, **Oversight** notes there are currently 211 different types of specialty license plate designs available in Missouri. From these 211 specialty license plates, there were 78,781 registrations as of January 21, 2025:

0 Registrations	Less than 100 Registrations	Less than 1,000 Registrations	More than 1,000 Registrations
48	89	56	18

For most designs, there is a \$15 initial fee to apply for each specialty license plate and a \$15 annual renewal fee. However, several of the military/veteran specialty plates do not require a fee.

§§302.177, 302.272 & 302.735 – School Bus Endorsements

In response to a similar proposal from 2025 (HCS for HB Nos. 296 & 438), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

Administrative Impact

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

- Review rules and regulations and initiate changes through JCAR and SOS as applicable
- Develop project documentation development and oversight of project
- Work with FAST, the MVDL System vendor to develop requirements for changes to the MO driver license system (internally referred to as FUSION) and supporting changes to the integrated MSHP driver examination system.to incorporate new renewal terms for school bus endorsed license holders aged seventy to seventy-six and changing the mandatory age for an annual retest for school bus endorsement holder’s issuance to those aged 77 and older
- Modify renewal notice edits and distribution for school bus endorsed
- Update polices for DOR Third Party test sites to define changes to testing procedures
- FAST complete changes and user testing for FUSION
- Update procedures, forms, and the Department website

- Update internal procedures
- Update the Missouri Driver Guide (on-line and printed versions)
- Update the Missouri CDL Manual
- Modify internal training programs and train staff

FY 2026 - Driver License Bureau

Research/Data Assistant 200 hrs. @ \$19.29 per hr. =\$3,858

Research/Data Analyst 240 hrs. @ \$28.75 per hr. =\$6,900

Administrative Manager 100 hrs. @ \$31.21 per hr. =\$3,121

FY 2026 – Communications Office

Associate Research/Data Analyst 80 hrs. @ \$23.04 per hr. = \$1,843

Total Administrative Costs **\$15,722**

Oversight assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect these administrative costs DOR has indicated on the fiscal note.

DOR notes, due to the significant change in testing requirements, additional cost may be incurred by DOR and MSHP to reprint the non-commercial driver guide and commercial driver license manual and destroy any unused outdated materials. Currently MSHP incurs the cost for printing of the manuals. Potential loss is unknown and will be based on the number of printed manuals in stock at the time of distribution of the new manuals.

FUSION Impact

Vendor estimates approximately 200 hours for development, testing and implementation tasks.

\$225 x 200 = **\$45,000**

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

Revenue Impact

DOR notes, during FY 2024, there were 855 one-year commercial licenses with school bus endorsement issued that required skills testing for persons aged 70 and over. The fees are waived for applicants of this type today.

The change to allow persons aged seventy to seventy-four to be issued a two-year renewal may result in a minimal increase in transaction fees of less than \$6,000 annually.

Potential revenue increase:

$285 \times \$20 \text{ per 3yr document} = \$5,700$

The estimated increased revenue from the change in issuance term would be distributed to State Highway, Cities and Counties as follows:

75% to Highway Fund= \$8,520

15% to Cities = \$1,704

10% to Counties = \$1,136

There may be a minimal increase in revenue from branch office processing fees related to the change from an annual to a three-year processing fee for persons aged 70-74 years of age renewing a commercial license with school bus endorsement.

In response to a similar proposal from 2025 (HCS for HB Nos. 296 & 438), officials from the **Missouri Department of Transportation** and **Department of Elementary and Secondary Education** each assumed the proposal would 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.

In response to a similar proposal from 2025 (HCS for HB Nos. 296 & 438), officials from the **Missouri Highway Patrol** assumed the proposal would 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.

§304.162 – Towing of Vehicles

In response to a similar proposal from 2025 (HCS for HB 745), officials from the **Missouri Department of Transportation (MoDOT)** assumed the following regarding this proposal:

This bill mandates the Missouri Department of Transportation to promulgate rules regulating the towing of commercial vehicles. This bill requires MoDOT to establish a process by which to receive, investigate and adjudicate complaints against towing companies. It is unclear if the determinations will be considered a contested case and if the determinations under this bill will be appealable to the Administrative Hearing Commission or Circuit Court.

Should this bill become law, the responsibility for writing and promulgating rules; coordinating an advisory committee; and facilitating receipt, investigation and adjudication of complaints would be assigned to MoDOT. MoDOT assumes 7.5 FTE will be needed to implement this proposal.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by MoDOT.

In response to a similar proposal from 2025 (HCS for HB 745), officials from the **Missouri Highway Patrol** and **Department of Commerce and Insurance** each assumed the proposal would 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.

In response to a similar proposal from 2025 (HCS for HB 745), officials from the **Phelps County Sheriff, Branson Police Department, Kansas City Police Department** and **St. Louis County Police Department** each assumed the proposal would 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 law enforcement agencies 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.

§307.010 – Cotton Trailers

In response to a similar proposal from 2025 (HCS for HB 169), officials from the **Missouri Department of Transportation, Department of Revenue** and **Missouri Highway Patrol** 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.

§307.350 – Motor Vehicle Safety Inspections

In response to a similar proposal from 2025 (HCS for HB 775), officials from the **Department of Revenue (DOR)** assumed the following regarding this proposal:

DOR notes the proposal removes the language requiring that vehicles manufactured in an even year shall be renewed each even number calendar year and any vehicle manufactured in an odd year shall be renewed each odd number calendar year.

The removal of this language modifies the motor vehicle biennial registration option so that all motor vehicles, regardless of model year, have a two-year registration option.

Administrative Impact

To implement the proposed legislation the department will be required to:

- Create/update procedures, training manuals, notices, and forms
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Train internal and contract license office staff

FY 2027 – Motor Vehicle Bureau

Associate Research/Data Analyst 200 hrs. @ \$26.03 per hr. = \$5,206

Administrative Manager 60 hrs. @ \$35.10 per hr. = \$2,106

Research/Data Analyst 120 hrs. @ \$27.87 per hr. = \$3,344

FY 2027 – Strategy and Communications Office

Associate Research/Data Analyst 200 hrs. @ \$26.03 per hr. = \$5,206

Research/Data Analyst 100 hrs. @ \$27.87 per hr. = \$2,787

Total Costs = **\$18,649**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

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. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

FUSION Impact

DOR notes:

Implementation Consultant \$225/hour x 200hrs = **\$45,000**

Oversight does not have information to the contrary and therefore, Oversight will reflect the FUSION estimates as provided by DOR.

Revenue Impact

There could be some variance in revenue the first fiscal year, but the department has determined this to be minimal and will average out.

Oversight does not have information to the contrary and therefore, Oversight will not reflect a fiscal impact for §307.350.

§565.260 – Unlawful tracking of a motor vehicle

In response to a similar proposal from 2025 (HB 293), officials from the **Office of the State Public Defender (SPD)** stated per the National Public Defense Workload Study, the new charge contemplated by this change to §565.260 would take approximately fourteen hours of SPD work for reasonably effective representation. If one hundred cases were filed under this section in a fiscal year, representation would result in a need for an additional attorney. Because the number of cases that will be filed under this statute is unknown, the exact additional number of attorneys necessary is unknown. Each case would also result in unknown increased costs in the need for core staff, travel and litigation expenses.

Oversight assumes this proposal will not create the number of new cases required to request additional FTE for the SPD and that the SPD can absorb the additional caseload required by this proposal with current staff and resources. Therefore, Oversight will reflect no fiscal impact to the SPD for fiscal note purposes. However, if multiple bills pass which require additional staffing and duties, the SPD may request funding through the appropriation process.

In response to a similar proposal from 2025 (HB 1570), officials from the **Missouri Office of Prosecution Services (MOPS)** assumed the proposal will have no measurable fiscal impact on MOPS. The enactment of a new crime (§565.260) creates additional responsibilities for county prosecutors and the circuit attorney which may, in turn, result in additional costs, which are difficult to determine.

Oversight notes that violations of §565.260 is a class B misdemeanor which carries a fine not to exceed \$1,000 in addition to any individual county/municipal fees and court costs. Oversight also notes per Article IX Section 7 of the Missouri Constitution fines and penalties collected by counties are distributed to school districts. Fines vary widely from year to year and are distributed to the school district where the violation occurred. Oversight will reflect a positive Unknown fiscal impact to local school districts for fines and penalties collected.

Any impact to various state and local funds from court fees is assumed to be minimal and will not be presented for fiscal note purposes. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula.

Below are examples of some of the state and local funds which court costs are distributed:

Fee/Fund Name	Fee Amount
Basic Civil Legal Services Fund	\$8.00
Clerk Fee	\$15.00 (\$12 State/\$3 County)
County Fee	\$25.00
State Court Automation Fund	\$7.00
Crime Victims' Compensation Fund	\$7.50
DNA Profiling Analysis Fund	\$15.00
Peace Officer Standards and Training (POST) Fund	\$1.00
Motorcycle Safety Trust Fund	\$1.00
Brain Injury Fund	\$2.00
Independent Living Center Fund	\$1.00
Sheriff's Fee	\$10.00 (County)
Prosecuting Attorney and Circuit Attorney Training Fund	\$4.00
Prosecuting Attorney Training Fund	\$1.00 (\$0.50 State/\$0.50 County)
Spinal Cord Injury Fund	\$2.00

In response to a similar proposal from 2025 (HB 293), officials from the **Department of Mental Health, Department of Public Safety - Missouri Highway Patrol, Department of Social Services, Missouri Department of Conservation, Phelps County Sheriff, Kansas City Police Department, St. Louis County Police Department and Office of the State Courts Administrator** each assumed the proposal would 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 local law enforcement 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.

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 (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 the office can sustain with its core budget. Therefore, the SOS reserves 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 – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
GENERAL REVENUE FUND				
<u>Costs</u> – DOR (§§21.795 & 142.805) p. 6				
Personnel Service	(\$50,800)	(\$62,179)	(\$63,423)	(\$64,057)
Fringe Benefits	(\$33,521)	(\$40,713)	(\$41,212)	(\$41,624)
Expense & Equipment	(\$13,359)	(\$570)	(\$582)	(\$588)
<u>Total Costs</u> - DOR	(\$97,680)	(\$103,462)	(\$105,217)	(\$106,269)
FTE Change	1 FTE	1 FTE	1 FTE	1 FTE
<u>Cost</u> – DOR – FUSION impacts (§§301.055, 301.070, 301.140, 301.110, 301.142, 301.560, 301.570, 307.350, 301.147, 302.177, 302.272, 302.735 & 643.315) p. 18, 19, 21, 23, 24, 30, 34 & 37	(\$351,000)	\$0	\$0	\$0
<u>Cost</u> – DOR – OA-ITSD services (§301.469) p. 27	(\$22,339)	\$0	\$0	\$0

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
<u>Cost</u> – DOR – OA-ITSD services (§§301.3181 & 301.3182) p. 32	(\$14,506)	\$0	\$0	\$0
<u>Cost</u> – MoDOT (§304.162) p. 36				
Personal Service	(\$313,806)	(\$384,098)	(\$391,780)	(\$395,698)
Fringe Benefits	(\$221,183)	(\$268,439)	(\$271,517)	(\$274,232)
<u>Total Costs</u> – MoDOT	(\$534,989)	(\$652,537)	(\$663,297)	(\$669,930)
FTE Change – MoDOT	7.5 FTE	7.5 FTE	7.5 FTE	7.5 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(\$1,020,514)	(\$755,999)	(\$768,514)	(\$776,199)
Estimated Net FTE Change on General Revenue	8.5 FTE	8.5 FTE	8.5 FTE	8.5 FTE
HIGHWAY FUND (0644)				
<u>Revenue</u> – increase in fees collected for motor vehicle registrations (§§301.055, 301.070 & 301.140) p. 17-18	\$0	\$3,636,972	\$3,636,972	\$3,636,972
<u>Revenue</u> – increase in fees collected for motorcycle/motor-tricycle registrations (§§301.055, 301.070 & 301.140) p. 17-18	\$0	\$104,636	\$104,636	\$104,636

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
<u>Loss</u> – MoDOT – dealer plate fees being deposited into the Motor Vehicle Commission Fund (§301.560) p. 31	<u>\$0</u>	<u>(\$299,721)</u>	<u>(\$299,721)</u>	<u>(\$299,721)</u>
ESTIMATED NET EFFECT ON THE HIGHWAY FUND (0644)	<u>\$0</u>	<u>\$3,441,887</u>	<u>\$3,441,887</u>	<u>\$3,441,887</u>
MISSOURI AIR EMISSION REDUCTION FUND (1267)				
<u>Loss</u> – DNR – reduced emissions inspection fees (§§301.147 & 643.315) p. 25	<u>\$0</u>	<u>(\$40,618)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE MISSOURI AIR EMISSION REDUCTION FUND (1267)	<u>\$0</u>	<u>(\$40,618)</u>	<u>\$0</u>	<u>\$0</u>
MOTOR VEHICLE ADMINISTRATION TECHNOLOGY FUND				
<u>Revenue</u> – potential administrative fees charged by trailer dealers (§301.558) p. 28	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
ESTIMATED NET EFFECT ON THE MOTOR VEHICLE ADMINISTRATION TECHNOLOGY FUND	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
MOTOR VEHICLE COMMISSION FUND (0588)				
<u>Revenue</u> – DOR - dealer plate fees (§301.560) p. 31	<u>\$0</u>	<u>\$214,405</u>	<u>\$214,405</u>	<u>\$214,405</u>
ESTIMATED NET EFFECT ON THE MOTOR VEHICLE COMMISSION FUND (0588)	<u>\$0</u>	<u>\$214,405</u>	<u>\$214,405</u>	<u>\$214,405</u>
STATE ROAD FUND (0320)				
<u>Revenue/Loss</u> – MoDOT – increase or decrease in the motor fuel tax rate (§§21.795 & 142.805) p. 4-6	<u>\$0</u>	<u>Up to (\$15,390,338)</u>	<u>Up to (\$30,780,677)</u>	<u>Up to (\$46,171,015)</u>
<u>Cost</u> – MoDOT – updated information on population to city limit signs (§71.025) p. 9	<u>(Up to \$1,000,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Cost</u> – MoDOT – potential costs for signs for Missouri Medal of Honor recipients (§227.855) p. 13	<u>\$0 or (Less than \$250,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
ESTIMATED NET EFFECT ON THE STATE ROAD FUND (0320)	(Up to \$1,250,000)	<u>Up to (\$15,390,338)</u>	<u>Up to (\$30,780,677)</u>	<u>Up to (\$46,171,015)</u>
FEDERAL HIGHWAY FUNDS				
<u>Loss</u> – MoDOT – potential loss in funding with the implementation of this proposal (§71.025) p. 9	(Unknown, could exceed \$250,000)	(Unknown, could exceed \$250,000)	(Unknown, could exceed \$250,000)	(Unknown, could exceed \$250,000)
<u>Loss</u> – MoDOT – potential loss in funding with the implementation of this proposal (§226.510) p. 11	(Up to \$130,000,000)	(Up to \$130,000,000)	(Up to \$130,000,000)	(Up to \$130,000,000)
ESTIMATED NET EFFECT ON FEDERAL HIGHWAY FUNDS	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)	(Unknown, could exceed \$130,250,000)

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
LOCAL POLITICAL SUBDIVISIONS				
<u>Revenue/Loss</u> – MoDOT – increase or decrease in the motor fuel tax rate (§§21.795 & 142.805) p. 4-6	\$0	Up to (\$5,692,317)	Up to (\$11,384,634)	Up to (\$17,076,951)

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
<u>Revenue</u> (Cities 15%) – increase in fees collected for motor vehicle registrations (§§301.055, 301.070 & 301.140) p. 17-18	\$0	\$727,394	\$727,394	\$727,394
<u>Revenue</u> (Counties 10%) – increase in fees collected for motor vehicle registrations (§§301.055, 301.070 & 301.140) p. 17-18	\$0	\$484,930	\$484,930	\$484,930
<u>Revenue</u> (Cities 15%) – increase in fees collected for motorcycle/motor-tricycle registrations (§§301.055, 301.070 & 301.140) p. 17-18	\$0	\$20,927	\$20,927	\$20,927
<u>Revenue</u> (Counties 10%) – increase in fees collected for motorcycle/motor-tricycle registrations (§§301.055, 301.070 & 301.140) p. 17-18	\$0	\$13,952	\$13,952	\$13,952
<u>Loss</u> (Cities 15%) – MoDOT – dealer plate fees being deposited into the Motor Vehicle Commission Fund (§301.560) p. 31	\$0	(\$59,944)	(\$59,944)	(\$59,944)
<u>Loss</u> (Counties 10%) – MoDOT – dealer plate fees being deposited into the Motor Vehicle Commission Fund (§301.560) p. 31	\$0	(\$39,963)	(\$39,963)	(\$39,963)
<u>Revenue</u> – Schools - Fine revenue (§565.260) p. 38	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028	Fully Implemented (FY 2029)
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	<u>Unknown</u>	Less than <u>(\$4,545,021)</u>	Less than <u>(\$10,237,338)</u>	Less than <u>(\$15,929,655)</u>

FISCAL IMPACT – Small Business

Small businesses that require motor fuel could be impacted as a result of this proposal. Certain small businesses would not have to pay a one-time permit fee and biennial inspection fee for outdoor advertising. Any small business that registers motor vehicles, as well as small motor vehicle dealers, will be impacted as a result of this proposal. Small towing companies could be impacted a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions related to transportation.


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
 Office of Administration - Budget and Planning
 Office of the Secretary of State
 Joint Committee on Administrative Rules
 Missouri House of Representatives
 Missouri Department of Conservation
 Department of Social Services
 Office of the State Courts Administrator
 Missouri Senate
 Department of Elementary and Secondary Education
 Department of Health and Senior Services
 Department of Natural Resources
 Missouri Veterans Commission
 Department of Commerce and Insurance
 Office of the State Public Defender
 Missouri Office of Prosecution Services
 Department of Mental Health

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April 1, 2025

City of Kansas City
City of Osceola
City of O'Fallon
Phelps County Sheriff
Branson Police Department
Kansas City Police Department
St. Louis County Police Department



Julie Morff
Director
April 1, 2025



Jessica Harris
Assistant Director
April 1, 2025