

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1567H.01I  
Bill No.: HB 527  
Subject: Boards, Commissions, Committees, and Councils; Highway Patrol; Motor Vehicles  
Type: Original  
Date: April 9, 2025

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Bill Summary: This proposal establishes the "Auto Theft Prevention Commission".

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	(\$56,250)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$56,250)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Auto Theft Prevention Commission Revolving Fund	More than (\$2,316,089 to \$2,319,089)	More than (\$1,903,227)	More than (\$1,937,990)
Highway Fund (0644)	Could exceed \$6,750,000	Could exceed \$6,750,000	Could exceed \$6,750,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Could exceed \$4,430,911 to \$4,433,911</b>	<b>Could exceed \$4,846,773</b>	<b>Could exceed \$4,812,010</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>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
Auto Theft Prevention Commission Revolving Fund	10 FTE	10 FTE	10 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>10 FTE</b>	<b>10 FTE</b>	<b>10 FTE</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>\$1,440,000</b>	<b>\$1,440,000</b>	<b>\$1,440,000</b>

### **FISCAL ANALYSIS**

## ASSUMPTION

### §§43.280, 43.282, 43.284, 43.285, 43.286, 43.287 & 301.190 – Auto Theft Prevention Act

Officials from the **Missouri Highway Patrol (MHP)** assume the following regarding this proposal:

§43.282.7 mandates the MHP provide all technical, clerical, and other support services to the Auto Theft Prevention Commission, as created in §43.282. In tasked with providing the necessary support services for a statewide task force the Patrol anticipates the need for criminal investigators (troopers) in the following areas: Troop A (2), Troop C (2), Troop D (2), and Troop E (1). In addition, the Patrol anticipates needing one (1) Computer Information Technologist III FTE to coordinate and support the information technology function needs of task force personnel. Along with this is the need to purchase one (1) storage node for virtual information storage. Finally, to assist with the support role the MHP anticipates the need to add two (2) Clerk Typist III FTE.

Funding for these positions would either come from the created Auto Theft Prevention Commission Revolving Fund, as outlined in Sections 43.286.1 through 43.286.3, or through General Revenue (0101).

It is assumed there will be an unknown savings to the Highway Fund (0644), as those tenured troopers would be replaced with Highway funded probationary troopers.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates for 10 FTE and related costs to the newly established Auto Theft Prevention Commission Revolving Fund as provided by the MHP. Oversight will also reflect an “Unknown” savings to the Highway Fund for the replacement of tenured troopers with probationary troopers. Oversight assumes the savings could exceed \$250,000.

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

### Administrative Impact

To accommodate for the increased fee and additional distribution vector for all original title transactions, the MVB will need to:

- Perform system updates to TRIPS;
- Update procedures and training material;
- Update forms and the department’s website.

### FY 2026 – Systems Analysis & Support

Associate Research/Data Analyst 199 hrs. @ \$26.03/hr. =\$5,180

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

Administrative Manager 25 hrs. @ \$35.10/hr. =\$878

FY 2026 – Strategy & Communications Office

Associate Research/Data Analyst 30 hrs. @ \$26.03/hr. =\$781

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

**Total = \$8,790**

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.

Auto Theft Prevention Program

**DOR** notes, in addition to receiving specialized training for motor vehicle-related crimes, the Motor Vehicle Bureau assumes they will contribute to the Auto Theft Prevention Commission's efforts in the following manner:

- Providing access to vehicle registration information, ownership records, title history, and driver information to assist in investigations;
- Identifying potentially fraudulent vehicle registrations or title applications that may be linked to auto theft;
- Assisting law enforcement with vehicle identification, tracing ownership, and verifying vehicle information;
- Consulting with the Commission on potential policy changes that could enhance auto theft prevention measures.

If the program requires the Motor Vehicle Bureau to assist with tasks that are more complex or time-consuming, additional FTE may be needed. Any tasks that require MVB resources outside of what has been identified above may also require system changes.; However, that is unknown at this time.

*FUSION Impact*

Implementation Consultant: 250 hours @ \$225/hr. = **\$56,250**

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

### Revenue Impact

**DOR** notes, due to the Missouri Constitutional requirement (Article IV Section 30(b)) for any fee collected by the Department that is incident to highway use to be distributed to MoDOT for transportation purposes, it is likely the increased fee imposed by this legislation will not be distributed to the Auto Theft Prevention Commission Revolving Fund. There were 1.8 million applicable title transactions in FY 2024, which would generate an additional \$9 million in title fees. For the purposes of this fiscal note, the increased fee distribution will be reflected as required by the Constitution.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the revenue estimates as provided by DOR. Oversight will reflect the revenue being distributed to the Highway Fund (75%), Cities (15%) and Counties (10%) as indicated by DOR.

Officials from the **Office of the Governor (GOV)** assume this bill adds to the Governor's current load of appointment duties. Individually, additional requirements should not fiscally impact the Office of the Governor. However, the cumulative impact of additional appointment duties across all enacted legislation may require additional resources for the Office of the Governor.

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

Officials from the **Office of Attorney General (AGO)** assume any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

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

Officials from the **Department of Public Safety – Director’s Office** and **Office of Administration - Budget and Planning** defer to the MHP for the potential fiscal impact of this proposal.

Officials from the **Department of Commerce and Insurance** and **Office of the State Treasurer** 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.

#### 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
<b>GENERAL REVENUE FUND</b>			
<u>Cost – DOR – FUSION implementation consultant</u>	<u>(\$56,250)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$56,250)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>HIGHWAY FUND (0644)</b>			
<u>Revenue – \$5 of each original certificate fee (§301.190)</u>	\$6,750,000	\$6,750,000	\$6,750,000

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<u>Savings</u> – MHP – tenured officers replaced with probationary officers	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON THE HIGHWAY FUND (0644)</b>	<b>Could exceed <u>\$6,750,000</u></b>	<b>Could exceed <u>\$6,750,000</u></b>	<b>Could exceed <u>\$6,750,000</u></b>
<b>AUTO THEFT PREVENTION COMMISSION REVOLVING FUND</b>			
<u>Cost</u> – MHP (§§43.280, 43.282, 43.284, 43.285, 43.286, 43.287)			
Personal Services	(\$743,800)	(\$910,411)	(\$928,619)
Fringe Benefits	(\$676,263)	(\$827,746)	(\$844,301)
Expense and Equipment	(\$896,026 to <u>\$899,026</u> )	<u>(\$165,070)</u>	<u>(\$165,070)</u>
<u>Total Cost</u> - MHP	(\$2,316,089 to \$2,319,089)	(\$1,903,227)	(\$1,937,990)
FTE Change - MHP	10 FTE	10 FTE	10 FTE
<u>Transfer Out</u> – grants to law enforcement agencies or other qualified applicants (§43.282)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON THE AUTO THEFT PREVENTION COMMISSION REVOLVING FUND</b>	<b>More than (\$2,316,089 to <u>\$2,319,089</u>)</b>	<b>More than <u>(\$1,903,227)</u></b>	<b>More than <u>(\$1,937,990)</u></b>
Estimated Net FTE Change to the Auto Theft Prevention Commission Fund	10 FTE	10 FTE	10 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Revenue</u> (Cities 15%) – \$5 of each original certificate fee (§301.190)	\$1,350,000	\$1,350,000	\$1,350,000
<u>Revenue</u> (Counties 10%) – \$5 of each original certificate fee (§301.190)	\$90,000	\$90,000	\$90,000
<u>Transfer In</u> – from MHP to law enforcement agencies or other qualified applicants for grants (§43.282)	Unknown	Unknown	Unknown
<u>Cost</u> – implementation of auto theft prevention programs	(Unknown)	(Unknown)	(Unknown)
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$1,440,000</u></b>	<b><u>\$1,440,000</u></b>	<b><u>\$1,440,000</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill establishes the "Auto Theft Prevention Commission", which is assigned to the Department of Public Safety, though the Director of Public Safety will have no supervision, authority, or control over the actions or decisions of the Commission. The Commission will have 11 members, including, among others, the Superintendent of the State Highway Patrol or his or her designee; the Attorney General or his or her designee; and various members to be appointed by the Governor. The bill specifies provisions for those members appointed by the Governor. Some of the duties of the Commission include establishing a grant program for the provisions of funds to local law enforcement agencies and multi-jurisdiction task forces for: preventing, reducing, and investigating motor vehicle and motor vehicle parts theft; investigating fraud related to motor vehicle insurance, motor vehicle dealer purchases, and motor vehicle rental transactions; and purchasing equipment and technology for support in motor vehicle-related crime prevention, reduction, and investigation. The Commission will also provide support to local prosecutors handling motor vehicle and motor vehicle parts theft.



Any grant awarded under this section will be upon recommendation from and after consideration by the Commission. Each grant application must describe the type of motor vehicle-related crime prevention, reduction, investigation, enforcement, prosecution, or offender rehabilitation program to be implemented. The types of programs are described in the bill.

The Commission must prepare an annual report and submit it to the General Assembly and the Governor by December 1.

The bill creates the "Auto Theft Prevention Commission Revolving Fund", which will be used solely to implement the provisions related to the Commission. There will be \$5 added to the fee to register a motor vehicle or trailer, increasing the total fee to \$13. The additional \$5 will be transferred to the Fund.

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

Office of Administration - Budget and Planning  
Department of Commerce and Insurance  
Department of Revenue  
Department of Public Safety – Director's Office  
Missouri Highway Patrol  
Office of the Governor  
Office of the State Treasurer



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April 9, 2025



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