

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1900H.011  
 Bill No.: HB 775  
 Subject: Department of Revenue; Licenses - Motor Vehicle; Motor Vehicles  
 Type: Original  
 Date: February 17, 2025

Bill Summary: This proposal modifies provisions relating to motor vehicle licenses.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	(\$351,000)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$351,000)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Highway Fund (0644)	\$0	\$3,441,887	\$3,441,887
Missouri Air Emission Reduction Fund (1267)	\$0	(\$40,618)	\$0
Motor Vehicle Commission Fund (0588)	\$0	\$214,405	\$214,405
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$3,615,674</b>	<b>\$3,656,292</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>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$1,147,296</b>	<b>\$1,147,296</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§301.055, 301.170, 301.110, 301.140, 301.142, 301.147, 301.560, 301.570, 307.370 & 643.15 – Motor Vehicle Provisions

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

#### Motor Vehicle Bureau

##### Sections 301.055 301.070 & 301.140 – Vehicle Flat Fee

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
<b>Total</b>		<b>3,722,021</b>	<b>\$87,270,501</b>

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
<b>Total</b>	<b>117,062</b>		<b>\$1,001,840</b>

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.

#### Section 301.110 – Alternative Fuel Fee

**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 2027 – 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 2027 – 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.

Section 301.142.11–Disabled Placard Renewals

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.

Section 301.560 Dealer Plate Fee Distribution of Funds and Franchise Dealer Applications

**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.

*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.

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 2027 – 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 2027 – 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 x \$50 =\$195,350

Additional plates 19,455 x \$10.50 =\$204,278

TOTAL: 23,362 =\$399,628

Annual estimated revenue under proposed language:

First tab 3,907 x \$25 =\$97,675

Additional tabs 19,455 x \$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.

Section 301.570.1- Requires a Minimum Sale of Eight Vehicles for Dealer Licensing  
**DOR** notes this removes the minimum requirement of six sales in a calendar year and increases the minimum sales to eight per calendar year to require a dealer license.

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 the Department website
- Update the Dealer Operating Manual

FY 2027 – Motor Vehicle Bureau

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

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

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

FY 2027 – Strategy and Communications Office

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

Total Costs = **\$2,525**

The Department could see a decrease in licensed dealers due to the increased sales requirement. However, DOR is unable to accurately forecast the impact of the proposed regulatory changes.

**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.

Section 307.350 – Vehicle Renewal and Safety Inspection Even/Odd Requirement Removed

**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.

Section 643.315 – Emissions even/odd Requirement Removed

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**

Section B - Effective Date upon Implementation of Integrated

This allows all sections of the bill to be implemented with the new FUSION system.

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.

Officials from the **Missouri Highway Patrol** assume the proposal 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.

Officials from the **Missouri Department of Transportation** defer to DOR for the potential fiscal impact of this proposal.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>GENERAL REVENUE FUND</b>			
<u>Cost – DOR – FUSION impact p. 5, 6, 7, 8, 10, 11 &amp; 13</u>	<u>(\$351,000)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$351,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>HIGHWAY FUND (0644)</b>			
<u>Revenue – increase in fees collected for motor vehicle registrations p. 4-5</u>	<u>\$0</u>	<u>\$3,636,972</u>	<u>\$3,636,972</u>
<u>Revenue – increase in fees collected for motorcycle/motor-tricycle registrations p. 4-5</u>	<u>\$0</u>	<u>\$104,636</u>	<u>\$104,636</u>
<u>Loss – MoDOT – dealer plate fees being deposited into the Motor Vehicle Commission Fund p. 9</u>	<u>\$0</u>	<u>(\$299,721)</u>	<u>(\$299,721)</u>
<b>ESTIMATED NET EFFECT ON THE HIGHWAY FUND (0644)</b>	<b><u>\$0</u></b>	<b><u>\$3,441,887</u></b>	<b><u>\$3,441,887</u></b>

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>MISSOURI AIR EMISSION REDUCTION FUND (1267)</b>			
<u>Loss</u> – DNR – reduced emissions inspection fees p. 14	<u>\$0</u>	<u>(\$40,618)</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON THE MISSOURI AIR EMISSION REDUCTIO FUND (1267)</b>	<b><u>\$0</u></b>	<b><u>(\$40,618)</u></b>	<b><u>\$0</u></b>
<b>MOTOR VEHICLE COMMISSION FUND (0588)</b>			
<u>Revenue</u> – DOR - dealer plate fees p. 9	<u>\$0</u>	<u>\$214,405</u>	<u>\$214,405</u>
<b>ESTIMATED NET EFFECT ON THE MOTOR VEHICLE COMMISSION FUND (0588)</b>	<b><u>\$0</u></b>	<b><u>\$214,405</u></b>	<b><u>\$214,405</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Revenue</u> (Cities 15%) – increase in fees collected for motor vehicle registrations p. 4-5	<u>\$0</u>	<u>\$727,394</u>	<u>\$727,394</u>
<u>Revenue</u> (Counties 10%) – increase in fees collected for motor vehicle registrations p. 4-5	<u>\$0</u>	<u>\$484,930</u>	<u>\$484,930</u>
<u>Revenue</u> (Cities 15%) – increase in fees collected for motorcycle/motor-tricycle registrations p. 4-5	<u>\$0</u>	<u>\$20,927</u>	<u>\$20,927</u>



<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<u>Revenue</u> (Counties 10%) – increase in fees collected for motorcycle/motor-tricycle registrations p. 4-5	\$0	\$13,952	\$13,952
<u>Loss</u> (Cities 15%) – MoDOT – dealer plate fees being deposited into the Motor Vehicle Commission Fund p. 9	\$0	(\$59,944)	(\$59,944)
<u>Loss</u> (Counties 10%) – MoDOT – dealer plate fees being deposited into the Motor Vehicle Commission Fund p. 9	\$0	(\$39,963)	(\$39,963)
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0</u></b>	<b><u>\$1,147,296</u></b>	<b><u>\$1,147,296</u></b>

FISCAL IMPACT – Small Business

Any small business that registers motor vehicles, as well as small motor vehicle dealers, will be impacted as a result of this proposal.

FISCAL DESCRIPTION

This bill modifies the provisions relating to motor vehicle licensing. Currently, the vehicle registration fee for vehicles other than commercial vehicles is based on the vehicle's horsepower. This bill would set a single fee for all noncommercial motor vehicles at \$25 and a registration fee for motorcycles, motor tricycles, and autocycles at \$10. Both fees include the railroad crossing safety fee.

The bill also allows the Department of Revenue (DOR) to stagger the collection of alternative fuel decal fees and issuance of the decals so that the issuance occurs at the time of vehicle registration and the decals are valid for the duration of the vehicle's registration period. The director can also issue a receipt showing payment of the alternative fuel decal fee instead of issuing a decal.

The bill increases the renewal period for removable windshield disability placards from four years to eight years and requires DOR to automatically renew current valid disabled placards for eight years or for the duration that correlates with the disabled person's current physician's statement expiration date, until all permanent disabled placards are on an eight-year renewal cycle.

Currently, vehicles manufactured as an even-numbered model year must be renewed each even-numbered calendar year and vehicles manufactured as an odd-numbered model year must be renewed each odd-numbered calendar year. The bill repeals this provision and specifies that any required safety or emissions inspection is required prior to renewal.

The bill removes an exemption for fees paid for the issuance of dealer plates or certificates of number from deposit in the "Motor Vehicle Commission Fund". The department must also issue a renewal tab to be placed in the lower right corner of dealer plates or certificates at a cost of \$25 for the first tab and \$6 for each additional tab.

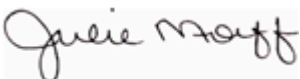
The bill increases the number of vehicles a person can sell or display with the intent to sell without a license.

The effective date of the bill is contingent on the development and maintenance of DOR's modernized, integrated motor vehicle registration and driver licensing system.

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

#### SOURCES OF INFORMATION

Department of Revenue  
Department of Natural Resources  
Missouri Highway Patrol  
Missouri Department of Transportation



Julie Morff  
Director  
February 17, 2025



Jessica Harris  
Assistant Director  
February 17, 2025