

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1930H.01I
Bill No.: HB 1166
Subject: Transportation; Motor Carriers; Motor Vehicles
Type: Original
Date: March 30, 2025

Bill Summary: This proposal establishes provisions relating to autonomous vehicles.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	(\$456,890)	(\$65,800)	(\$66,800)
Total Estimated Net Effect on General Revenue	(\$456,890)	(\$65,800)	(\$66,800)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 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
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§304.920, 304.923, 304.926, 304.927, 304.928, 304.929, 304.930, 304.931 & 304.932 – Autonomous Vehicles

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

Administrative Impact

To implement the proposed provisions of this bill the MVB would be required to:

- Update procedures, manuals, Department website, and correspondence letters
- Update registration and titling application forms to account for fully autonomous vehicle identification
- Update systems to account for fully autonomous vehicle identification datapoints
- Send communication to stakeholders as applicable
- Train current staff

FY 2026 – Systems Analysis & Support

Associate Research/Data Analyst 598 hrs. @ \$26.03/hr. =\$15,566

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

Administrative Manager 75 hrs. @ \$35.10/hr. =\$2,633

FY 2026 – Strategy & Communications Office

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

Research/Data Analyst 70 hrs. @ \$27.87/hr. =\$1,951

Total = **\$26,934**

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 some Motor Vehicle Bureau legacy systems will be unable to accommodate for this change due to their antiquated nature. Estimates are provided to account for these changes in a nonautomated environment and are likely to be cumbersome and more costly than shown. Additionally, this nonautomated process will require at least **1 FTE** based on volumes shown in other states.

FY 2026 - Motor Vehicle Bureau additional FTE cost

Associate Customer Service Representative \$34,999.68
Equipment costs for laptop, dock, and software \$1,084.76 each
Additional monitors needed 2 @ \$161.20 each
Cubicle, chair, calculator \$8,438 each
Phone \$525 each
Headset \$125 each
Total \$45,495

DOR notes OA-ITSD services will be required at a cost of **\$167,379** in FY 2026 (1,594.09 hours x \$105 per hour).

FUSION Impact

1,000 hours of development @ \$225/hr. = **\$225,000**

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 estimates for 1 FTE, OA-ITSD and FUSION costs as provided by DOR.

Officials from the **Missouri Department of Transportation** 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.

Officials from the **Branson Police Department** anticipate costs related to training officers on how to investigate accidents involving these vehicles. They are also concerned about costs to obtain data from the companies that will deploy these vehicles. Currently, cell phone carriers charge over \$50 for basic subpoena services on cell phones.

Oversight assumes there could be some costs to local political subdivisions as a result of this proposal; therefore, Oversight will reflect an "Unknown" cost on the fiscal note.

Officials from the **City of Kansas City, City of Osceola, Phelps County Sheriff, Kansas City Police Department** and **St. Louis County Police Department** 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.

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

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
GENERAL REVENUE FUND			
<u>Cost – DOR</u>			
Personal Services	(\$29,166)	(\$35,700)	(\$36,414)
Fringe Benefits	(\$24,850)	(\$30,100)	(\$30,387)
Expense and Equipment	(\$10,495)	\$0	\$0
Total Costs – DOR	(\$64,511)	(\$65,800)	(\$66,800)
Net FTE Change – DOR	1 FTE	1 FTE	1 FTE
<u>Cost – DOR – FUSION consultant</u>	(\$225,000)	\$0	\$0
<u>Cost – DOR – OA-ITSD costs</u>	(\$167,379)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$456,890)</u>	<u>(\$65,800)</u>	<u>(\$66,800)</u>
Estimated Net FTE Change to the General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS			
Cost – training and expenses of implementation	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill adds several provisions relating to autonomous vehicles.

This bill defines the terms "automated driving system", "dynamic driving task", "dynamic driving task fallback", "fully autonomous vehicle", and other terms relating to autonomous vehicles.

Under the bill, a person can operate a fully autonomous vehicle on public roads if certain conditions are met relating to the vehicle's certification and safety capabilities. Before doing so, a person must submit a law enforcement plan to the Department of Public Safety (DPS).

The bill states that the automated driving system of a vehicle is considered the driver of that vehicle for the purpose of complying with traffic laws, and the driving system is considered to be licensed to operate the vehicle.

Before a person operates any autonomous vehicle on a public road without a human driver, they must submit proof of financial responsibility to the Department of Revenue. Fully autonomous vehicles must remain at the scene of a crash, as required by current law, and crashes or collisions involving autonomous vehicles must be reported. The bill allows for the operation of an on-demand autonomous vehicle network under the same restrictions as taxis and other for-hire passenger transport systems. The bill requires that a fully autonomous vehicle be properly registered and titled in this State.

Under the bill, a person can operate an autonomous vehicle if the autonomous vehicle alerts the human driver to situations where they need to take control.

Human drivers are not restricted from driving fully autonomous vehicles. Fully autonomous vehicles which are also commercial vehicles can operate pursuant to commercial vehicle laws. This bill exempts certain fully autonomous vehicles that aren't designed to be operated by human drivers from motor vehicle equipment laws and regulations that are only relevant when vehicles are driven by humans.

Rulemaking authority to implement this bill is given to the director of DPS. No State agency, political subdivision, municipality, or local entity can prohibit, tax, or regulate autonomous vehicles or their use in a transportation service network.

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

SOURCES OF INFORMATION

Department of Revenue
Missouri Department of Transportation
Missouri Highway Patrol
Office of the Secretary of State
Joint Committee on Administrative Rules

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City of Kansas City

City of Osceola

Phelps County Sheriff

Kanas City Police Department

St. Louis County Police Department

Branson Police Department



Julie Morff

Director

March 30, 2025



Jessica Harris

Assistant Director

March 30, 2025