

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2718H.01I
Bill No.: HB 1362
Subject: Department of Revenue; Licenses - Driver's
Type: Original
Date: March 30, 2025

Bill Summary: This proposal modifies provisions relating to sex designation on driver's licenses, nondriver's licenses, and permits.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	(\$45,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$45,000)	\$0	\$0

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
Total Estimated Net Effect on FTE	0	0	0

- ☐ 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

§302.171 – Sex Designations on ID’s

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

Administrative Impact

The proposed change may require a modification to remove documents other than an amended birth certificate from the list of documents to request a change to the sex designation in the driver record and on printed credentials. This change will require:

- Driver license system modifications by vendor to remove other designation change documents from the acceptance edits.
- User testing of required system changes
- Draft procedure changes.
- Draft website changes.
- Draft MO Driver Guide changes.
- Training for internal and external stakeholders.

FY 2026 - Driver License Bureau

Research/Data Analyst 100hrs. @ \$28.75 per hr. =\$2,875
Administrative Manager 80hrs. @ \$31.21 per hr. =\$2,497
Total \$5,372

FY 2026 - Strategy and Communications Office

Associate Research/Data Analyst 40 hrs. @ \$23.04 per hr. =\$922
Total \$922

Total Costs = \$6,294

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.

FUSION Impact

DOR notes the Driver License Bureau estimates the vendor cost to modify and test system edits for sex designation verification document collection to be approximately 200 hours for development, testing and implementation tasks.

$$\$225 \times 200 = \textbf{\$45,000}$$

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

Officials from the **Department of Health and Senior Services** 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 for these agencies.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Cost – DOR – FUSION cost</u>	<u>(\$45,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$45,000)</u>	<u>\$0</u>	<u>\$0</u>

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

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

The bill requires a person seeking to obtain a driver's license, nondriver's license, or instruction permit denoting a sex other than an applicant's biological sex assigned at birth to provide an amended birth certificate that reflects the sex designation requested.

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 Health and Senior Services



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Director

March 30, 2025



Jessica Harris

Assistant Director

March 30, 2025