COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4294H.01I
Bill No.: HB 1838
Subject: Motor Vehicles; Agriculture; Roads and Highways
Type: Original
Date: January 14, 2026

Bill Summary: This proposal exempts certain farm vehicles from motor vehicle safety inspections.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	($76,250)	$0	$0
Total Estimated Net Effect on General Revenue	**($76,250)**	**$0**	**$0**

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on Other State Funds	**$0**	**$0**	**$0**

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on All Federal Funds	**$0**	**$0**	**$0**

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
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 2027	FY 2028	FY 2029
Local Government	**$0**	**$0**	**$0**

FISCAL ANALYSIS

ASSUMPTION

§307.350 – Motor Vehicle Safety Inspections Exemption for Farm 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 systems to remove safety inspection requirements for qualifying vehicle registrations
• Send communications to license offices and the Missouri citizens
• Train staff

FY 2027 – Motor Vehicle Bureau
Associate Research/Data Analyst 30 hrs. @ $31.16/hr. = $935
Research/Data Analyst 20 hrs. @ $37.14/hr. = $743
Administrative Manager 10 hrs. @ $51.40/hr. = $514

FY 2027 – Systems Analysis & Support
Associate Research/Data Analyst 273 hrs. @ $31.16/hr. = $8,507
Research/Data Analyst 68 hrs. @ $37.14/hr. = $2,256
Administrative Manager 34 hrs. @ $51.40/hr. = $1,748

FY 2027 – Strategy & Communications Office
Associate Research/Data Analyst 40 hrs. @ $31.16/hr. = $1,246
Research/Data Analyst 20 hrs. @ $37.14/hr. = $743

Total = $16,692

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.

FUSION Impact

DOR notes: 10 hours of development and testing @ $225/hr. = $2,250

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the FUSION 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 **$76,250** in FY 2027 (726.19 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.

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle and Driver Licensing 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 (Senate Bill 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.

Revenue Impact

DOR notes, regarding the removal of safety inspections, the Motor Vehicle Bureau does not estimate a change in received funds.

Officials from the **Missouri Highway Patrol** and **Missouri Department of Transportation** 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.

FISCAL IMPACT – State Government	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
Cost – DOR (§307.350) OA-ITSD p.4	($76,250)	$0	$0
ESTIMATED NET EFFECT ON GENERAL REVENUE	**($76,250)**	**$0**	**$0**

FISCAL IMPACT – Local Government	FY 2027 (10 Mo.)	FY 2028	FY 2029
	$0	**$0**	**$0**

FISCAL IMPACT – Small Business

Small farming businesses could be impacted as a result of this proposal.

FISCAL DESCRIPTION

Currently, most motor vehicles must have a safety inspection prior to registration, with exceptions for newer vehicles, historic vehicles, and some commercial vehicles.

This bill adds an exception to the safety inspection program for farm vehicles that travel less than 100 miles per calendar year.

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 Highway Patrol
Missouri Department of Transportation

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January 14, 2026

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January 14, 2026