

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 6709H.011  
 Bill No.: HB 3220  
 Subject: Licenses - Driver's; Motor Vehicles; Children and Minors  
 Type: Original  
 Date: March 3, 2026

Bill Summary: This proposal modifies provisions relating to driving offenses committed by young drivers.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	(\$687,500 to \$1,187,500)	(\$350,000 to \$850,000)	(\$350,000 to \$850,000)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$687,500 to \$1,187,500)</b>	<b>(\$350,000 to \$850,000)</b>	<b>(\$350,000 to \$850,000)</b>

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Driver's Education Training Fund*	\$0	\$0	\$0
Highway Fund (1644)	\$209,644	\$251,573	\$251,573
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$209,644</b>	<b>\$251,573</b>	<b>\$251,573</b>

\*Revenue and costs net to zero.

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<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.

**ESTIMATED NET EFFECT ON LOCAL FUNDS**

FUND AFFECTED	FY 2027	FY 2028	FY 2029
<b>Local Government</b>	<b>\$69,882</b>	<b>\$83,858</b>	<b>\$83,858</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the State Courts Administrator** and **Missouri Office of Prosecution Services** did not respond to **Oversight's** request for fiscal impact for this proposal.

### §§302.130, 302.171, 302.178, 302.212, 302.214, 302.216 & 302.302 – Driving Offenses Committed by Young Drivers

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

#### Administrative Impact

To implement the proposed legislation, the Department will:

- Complete programming and user acceptance testing of FUSION to:
  - Develop new conviction codes and map the new codes to charge codes and AAMVA ACD codes
  - Develop new point assessment provisions as defined
  - Modify provisions for automatic 12-point assessment for serious injury or death indicated by court
  - Modify provisions for acceptance of driver improvement program completion certificates
  - Update processing for electronic conviction file
  - Develop new process to convert an intermediate license to permit only when new conditions apply;
  - Develop process to return to prior intermediate license status after compliance provisions met
  - Add new issuance system edits to require a new mandatory driver education program completion
  - Add appeal and hearing option for intermediate license holders downgraded to permit only eligibility
- Work with the Office of State Court Administrators (OSCA) to develop new charge codes to correspond with the new violations and process for rejecting convictions sent for persons under 21 years of age where court is reflecting a suspended imposition of sentence or using a driver improvement program to reduce point assessment when ineligible per the proposed
- Work with MoDOT and DESE to develop process to receive or validate electronically approved driver education courses or school district programs with eligible waivers.
- Update FUSION point suspension and revocation evaluation routines for record holders under 21 years of age

- Test programs for inbound and outbound conviction processing and driver history eligibility evaluations
- Update interactive applications for automated responses to customers through telephone system (current vendor Genesys) or online (DORA)
- Update the Department website
- Update forms, letters, and procedures
- Update the Missouri Driver Guide

FY 2027 – Driver License Bureau

Research/Data Analyst 800 hrs. x \$37.14 per hr. = \$29,712  
Associate Research/Data Analyst 600 hrs. x \$31.16 per hr. = \$18,696  
Administrative Manager 200 hrs. x \$51.40 per hr. = \$10,280

FY 2027- Strategy and Communications Office

Associate Research/Data Analyst 80 hrs. x \$31.16 per hr. = \$2,493  
Research/Data Analyst 40 hrs. x \$37.14 per hr. = \$1,486

Total = \$62,667

**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:

Implementation Consultant 1,500 hrs. x \$225 per hr. = **\$337,500**

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

Revenue Impact

The department issued 54,469 new and 3,910 renewal intermediate driver licenses in FY 2024. The department issued 72,666 new and 3,125 renewal intermediate driver licenses in FY 2025. The proposed legislation increases the fee for the intermediate license from five dollars to ten dollars.

$(72,666 + 54,469) / 2 = 63,567.5$       63,568 – Average new issuances  
 $(3,125 + 3,910) / 2 = 3,517.5$       3,518 – Average renewals

63,568  
+3,518  
67,086 Total average of intermediate license issuances  
x \$10 Proposed fee for issuance  
\$670,860  
/2  
**\$335,430** Potential increase in issuance fees collected by the department yearly

§136.055.1(4) authorizes license offices contracted with the state of Missouri to charge an additional fee of \$9 associated with the issuance of each permit, nondriver license, chauffeur's, operator's or driver's license issued for a period of three years or less. The proposed language would increase the cost of an intermediate driver license issued in a contracted license office from \$14 to \$19.

The reinstatement fee associated with each point accumulation action is \$20. The proposed legislation to disallow reduction of point assessments may result in an increase in sanctions and resulting reinstatement fees collected by the Department. The Department does not have statistical information available to determine the possible number of infractions that may now be transmitted as point assessable and is therefore unable to estimate the amount of potential revenue increase.

The total impact to FTE is unknown. The Department anticipates any additional processing or correspondence will be absorbed with current staffing. However, if increased processing volumes for convictions, sanctions, or driver education program validation maintenance, additional FTE may be requested through appropriations.

Reinstatement Fees collected are distributed 75% Highway Fund, 15% Cities, and 10% Counties.

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

Officials from the **Missouri Department of Transportation (MoDOT)** estimate this program would need to be set up similar to the Missouri Motorcycle Safety Program (MMSP), in which MoDOT creates administrative rules and approves qualified providers of motorcycle rider training. The MMSP is currently contracted out to the University of Central Missouri at an annual cost of \$350,000. The MMSP trains about 5,000 riders per year, whereas a driver's education program would need to train approximately 54,000 new drivers per year. Accordingly, MoDOT estimates the costs to manage this program at a range of \$350,000 up to \$850,000 per year, depending on the scope of services needed.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by MoDOT.

Oversight notes this proposal establishes a new fund, the Driver's Education Training Fund, which is to consist of funds appropriated by the General Assembly, federal grants, private donations and other moneys designated for driver's education programs. Applicants for registration may make a donation of \$1 to the new fund. Oversight will reflect a \$0 (no funds deposited into the new fund) to an Unknown amount of revenue. Oversight will also reflect a transfer from General Revenue into the new fund to cover costs indicated by MoDOT.

Officials from the **Department of Elementary and Secondary Education, Missouri Highway Patrol, Department of Health and Senior Services, City of Kansas City, 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 that we have received from state agencies and political subdivisions; however, other local political subdivisions and local law enforcement agencies were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our 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 2027 (10 Mo.)	FY 2028	FY 2029
<b>GENERAL REVENUE</b>			
<u>Cost – DOR (§§302.130 – 302.302) FUSION p.4</u>	(\$337,500)	\$0	\$0
<u>Transfer Out – MoDOT (§§302.130 – 302.302) To Driver’s Education Training Fund p.6</u>	(\$350,000 to \$850,000)	(\$350,000 to \$850,000)	(\$350,000 to \$850,000)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b>(\$687,500 to \$1,187,500)</b>	<b>(\$350,000 to \$850,000)</b>	<b>(\$350,000 to \$850,000)</b>
<b>HIGHWAY FUND (1644)</b>			
<u>Revenue – DOR (§302.178) Increase in fee for intermediate driver’s license p.5</u>	\$209,644	\$251,573	\$251,573
<b>ESTIMATED NET EFFECT ON THE HIGHWAY FUND</b>	<b>\$209,644</b>	<b>\$251,573</b>	<b>\$251,573</b>
<b>DRIVER’S EDUCATION TRAINING FUND</b>			
<u>Revenue Gain – (§302.171) Federal grants and private donations p.6</u>	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Transfer In – MoDOT (§302.171) From General Revenue p.6</u>	\$350,000 to \$850,000	\$350,000 to \$850,000	\$350,000 to \$850,000
<u>Cost – MoDOT (§302.214) Driver’s education program p.5</u>	(\$350,000 to \$850,000)	(\$350,000 to \$850,000)	(\$350,000 to \$850,000)
<b>ESTIMATED NET EFFECT ON THE DRIVER’S EDUCATION TRAINING FUND</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Revenue</u> – (§302.178) Cities (15%) Increase in fee for intermediate driver’s license p.5	\$41,929	\$50,315	\$50,315
<u>Revenue</u> – (§302.178) Counties (10%) Increase in fee for intermediate driver’s license p.5	\$27,953	\$33,543	\$33,543
<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b>\$69,882</b>	<b>\$83,858</b>	<b>\$83,858</b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

Currently, for an applicant to receive his or her temporary instruction permit, a parent must give written permission stating that the parent or a designee will provide the applicant with 40 hours of behind-the-wheel driving instruction, including a minimum of 10 nighttime hours.

The bill requires the parent to state that he or she will provide and document the 40 hours of instruction.

This bill prevents intermediate drivers, any person under 21 years of age, and any person who was granted adult driver's license privileges and has held the adult license for fewer than 36 consecutive months without a violation for which points are assessed from getting a traffic violation reduced to a different violation that puts fewer points or no points on the driver's license.

Beginning January 1, 2027, this bill requires all driver's license applicants under 21 years of age who have never held a driver's license to complete an approved driver's education program.

The bill establishes the Driver's Education Training Fund. The State Treasurer will be the custodian of the Fund. The Fund will be used only by the Missouri Highways and Transportation Commission to fund driver's education programs.

Currently, license applicants are asked whether they would like to make a donation to promote an organ donor program, blindness education, screening and treatment program, or the medal of honor recipients' fund. This bill adds the Driver's Education Training Fund to this list. The donation is voluntary.

The bill raises the price of an intermediate license from \$5.00 to \$10.00.

Drivers holding an intermediate driver's license who receive more than two non-alcohol-related violations or violations totaling six points or more will have their license converted to a temporary learner's permit and must complete a driver's education program to reinstate their license with a partial reduction of points. If a violation by an intermediate driver involves alcohol or is worth at least 12 points, their license will be revoked or suspended.

Currently, a violation relating to intermediate licenses is punished as an infraction and does not result in points being assessed to an individual's driving record. The bill repeals these provisions.

Starting January 1, 2027, applicants for a driver's license who are under 21 and have never held a license must complete a driver's education program that is approved by the Missouri Highways and Transportation Commission within the 90 days before the application. The Department of Transportation will establish agreements with public or private institutions to provide the driver's education programs free of charge to these applicants. The bill establishes procedures for certification of driver's education programs and specifies requirements that must be met. The Department of Transportation can make rules to implement the programs. An approved driver education class in a school can fulfill the driver education program requirement.

This bill also alters point values assessed and descriptions of violations in Section 302.302, RSMo. Twelve points will be assessed automatically when serious injury or death results from any listed violation. Leaving the scene of an accident in violation of any county or municipal ordinance increases from six to 12 points.

Currently, when a violation for speeding, careless and imprudent driving, leaving the scene of an accident, or driving under the influence constitutes a violation under both state law and either county or municipal ordinance, points can be assessed for either violation but not both.

The bill requires points be assessed for the highest violation.

Currently, points can be reduced or stayed from applying to a driver's license via completion of a driver-improvement program.

The bill limits this system to a partial reduction of points and requires online courses to be proctored.

Currently, a court may use a centralized violation bureau and, if it does, it may elect to have the bureau order and verify completion of driver safety courses ordered by the court.

This bill requires the court to elect to make this delegation to the centralized violation bureau.

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  
Department of Elementary and Secondary Education  
Department of Health and Senior Services  
Office of the Secretary of State  
Joint Committee on Administrative Rules  
City of Kansas City  
Phelps County Sheriff  
Kansas City Police Department  
St. Louis County Police Department



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