

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1785-02  
Bill No.: HCS for HB 875  
Subject: Drunk Driving/Boating; Licenses - Driver's; Employees - Employer; Motor Vehicles  
Type: Original  
Date: March 13, 2017

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Bill Summary: This proposal provides that an employment exemption variance for persons required to have ignition interlock device shall not be granted to a person who controls an entity that owns an employer-owned vehicle.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Federal Funds	(Unknown)	(Unknown)	(Unknown)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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 \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Department of Revenue (DOR)** assume this language is required to comply with federal requirements for "repeat" intoxication-related offenders under 23 U.S.C. § 164. This applies to a circumstance where state law allows a court-ordered waiver of ignition interlock device (IID) installation and use for motor vehicles which are solely owned and controlled by the offender's employer.

Federal law requires either IID installation for repeat intoxication-related offenders (two offenses within a five-year period) for limited driving privileges or license reinstatement OR a 'hard walk' or mandatory license suspension period. If an IID waiver for an employer-owned vehicle is allowed by state law, it must comply with the federal requirements and apply only in situations where the repeat offender has no ownership interest in or control over the entity that owns the vehicle.

This language was not contained in the version of §302.440 passed in the 2016 legislative session, and is required. Failure to include the language will place Missouri out of compliance with federal law for repeat intoxication-related offenders and will result in the possible loss or withholding of federal highway aid funds.

Language was also added allowing courts to order continuous alcohol monitoring as an additional or alternative requirement in lieu of the ignition interlock when granting the work exemption. If this language is broadly applied, it could be construed as giving the court the authority to order continuous alcohol monitoring even if the work exemption is not granted, or to order the continuous alcohol monitoring in lieu of the ignition interlock requirements for non-work vehicles.

The DOR is unclear on how this new language would be interpreted by the courts. There could be a potential loss in federal funds related to DWI programs as well as general revenue funds for the state.

Officials at the **Missouri Department of Transportation (MoDOT)** assume the way the additional language is written, it could be interpreted to give all drivers an alternative to the use of an ignition interlock device. This would not be allowed by federal guidance, putting the Department out of compliance for 164 Repeat Intoxicated Driver program funds (23 CFR Part 1275). This could result in a significant unknown negative fiscal impact.

ASSUMPTION (continued)

**Oversight** has requested additional information from MoDOT regarding the potential loss of federal funding but has not received confirmation of the loss of funds.

Officials at the **Office of the State Courts Administrator** and the **Department of Public Safety's Missouri Highway Patrol** each assume no fiscal impact to their respective agencies from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
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**GENERAL REVENUE FUNDS**

<u>Loss - DOR - resulting from the continuous alcohol monitoring authority</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUNDS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
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**FEDERAL FUNDS**

<u>Loss - DOR and MoDOT - potential to be out of compliance with DWI programs</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

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

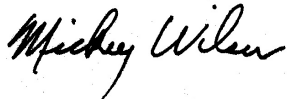
### FISCAL DESCRIPTION

This bill specifies that exemptions for ignition interlock device requirements shall not be granted to individuals who are self-employed or who wholly or partially own or control an entity that owns an employer-owned vehicle. The exemption by the court may also require that the person submit to continuous alcohol monitoring as an addition or alternative to an ignition interlock device.

Part of this legislation is federally mandated. However, it 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  
Office of the State Courts Administrator  
Department of Public Safety  
Missouri Highway Patrol



Mickey Wilson, CPA  
Director  
March 13, 2017

Ross Strobe  
Assistant Director  
March 13, 2017