

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1205-01
Bill No.: HB 354
Subject: Motor Vehicles; Transportation
Type: Original
Date: March 1, 2011

Bill Summary: This proposal exempts qualified plug-in drive vehicles from the motor vehicle emissions inspection program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Transportation** assume there will be no fiscal impact to their agency.

Officials from the **Department of Public Safety - Missouri State Highway Patrol** assume that since this proposed legislation exempts qualified plug-in electric vehicles from the motor vehicle emissions inspection program administered by the Department of Natural Resources and does not pertain to the safety inspection program administered by the Highway Patrol, the Patrol assumes no fiscal impact.

Officials from the **Department of Revenue (DOR)** provided the following assumptions regarding the fiscal impact of this proposed legislation:.

Administrative Impact

Motor Vehicle Bureau:

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours of overtime at a cost of \$805 in FY 12.
- The DOR website will need to be updated. This will require 10 hours of overtime for an Administrative Analyst III, at a cost of \$218 in FY 12.

The total cost for FTE in FY12 is \$1,023.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service 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.

Information Technology IT-ITSD (DOR):

- OA-ITSD would need to create a new fuel type for electric hybrid motor vehicles that meet the criteria set forth in this proposal.
- OS-ITSD would need to create a new emissions exemption code in Title and Registration Intranet Processing System (TRIPS).

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ASSUMPTION (continued)

- Requires adding new fuel type systems including but not limited to TRIPS, Titles, GRS, Fleet, and Renewal Pull.

TRIPS (1 IT IV)	160 hours
Legacy Systems (1 IT IV)	320 hours
Database(1 IT IV)	40 hours

The IT portion of the fiscal impact is estimated with a level of effort valued at \$13,780 based on 520 FTE hours.

Oversight assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of activity each year. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

Officials from the **Department of Natural Resources (DNR)** assume the current emission inspection fee is \$24. For every inspection, \$3.45 goes to the contractor for updating the database and maintaining equipment, \$2.50 goes to the Department of Natural Resources and the remainder goes to the station.

At this time the Inspection Maintenance program software can only capture information on whether the vehicle being inspected is gasoline or diesel. It does not identify a vehicle as a hybrid-electric vehicle. The total number of vehicles receiving emission inspections conducted in FY 2010 was 695,433.

DNR sources assume most of the time a hybrid vehicle operates on approximately 75% gasoline and 25% electric power.

By exempting hybrid electric vehicles, the Gateway Vehicle Inspection Program would receive fewer proceeds from the inspection fees; however the amount of fiscal impact is unknown due to the unknown number of vehicles that would be exempted under this proposal.

Oversight assumes this proposal only applies to “plug-in” electric vehicles and until a determination is made on the number of vehicles that may be exempted under this proposal, the initial impact will be shown as \$0.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposed legislation could possibly reduce the revenue for small business inspection stations because fewer cars would require inspections due to proposed exemptions.

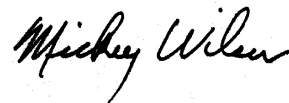
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

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 Transportation
Department of Natural Resources
Department of Public Safety
Missouri State Highway Patrol



Mickey Wilson, CPA
Director
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