

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1391-02
Bill No.: HCS for HB 438
Subject: Motor Vehicles; Licenses - Motor Vehicle; Revenue Department; Education, Higher
Type: Original
Date: March 6, 2013

Bill Summary: This proposal allows certain out-of-state colleges and universities to authorize the use of their official school emblems on special license plates.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

The fiscal impact shown below is based on the current holders of out-of-state college specialty license plates. This legislation would allow these individuals to continue renewing their specialty license plates.

Officials from the **Department of Revenue (DOR) - Motor Vehicle Bureau (MVB)** state the following procedures will need to be implemented for the changes in this proposal:

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours of overtime at a cost of \$1,206 in FY 14.
- DOR's website will need to be updated to include the new plate type. This will require 10 hours of overtime for an Administrative Analyst III, at a cost of \$325 in FY 14.

In summary, DOR assumes a cost of \$1,531 (\$1,206 + \$325) in FY 2014 to provide for the implementation of the changes in this proposal.

Even though this proposal includes an emergency clause, the existing specialty plates may expire before the passage and signing of this legislation. DOR assumes that if this legislation passed, they would hold any expired plates pending its final approval. DOR also assumes that if this legislation passed, they would mail the plates to the owners nearest local license office. It costs approximately \$5.55 to mail a box of 10 plates to a license office. The mailing costs could be up to \$45 in FY 14.

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

Officials from the **Department of Higher Education** and **Department of Corrections** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from the **Missouri State University** and **University of Missouri** each assumed the proposal would have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2014	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014	FY 2015	FY 2016
	<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 proposed legislation appears to have no direct fiscal impact.

This legislation has an emergency clause.

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 Corrections
Department of Higher Education
Missouri State University
University of Missouri



Ross Strope

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