

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0960-02  
Bill No.: HB 378  
Subject: Motor Vehicles; Roads and Highways  
Type: Original  
Date: January 31, 2017

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Bill Summary: This proposal prohibits text messaging while driving unless the device is equipped with technology allowing for hands-free texting and is being used in that manner while operating a non-commercial vehicle.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Highway Fund	Less than \$100,000	Less than \$100,000	Less than \$100,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Less than \$100,000</b>	<b>Less than \$100,000</b>	<b>Less than \$100,000</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>Less than \$100,000</b>	<b>Less than \$100,000</b>	<b>Less than \$100,000</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

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

#### **§304.820**

This legislation removes the "twenty-one years of age or younger" provision for the offense of texting while driving and adds language to prohibit all drivers from texting while driving unless it is equipped with technology allowing for voice-recognition hands-free texting and is being used in such manner. This offense requires assessment of points upon conviction pursuant to §302.302, RSMo.

#### **Administrative Impact**

This legislation may result in an increase in the number of traffic convictions received and processed by the Department. When the volume of convictions increases, the Department issues more point warning and suspension notices, as required by §302.304, RSMo. This also results in an increase in customer contacts.

There are no statistics available to determine exactly how many additional convictions will result from this proposal. If the volume is significant enough that it cannot be absorbed by existing staff, additional FTE(s) will be requested through the appropriation process.

#### **Revenue Impact**

No reliable estimates can be provided for reinstatement fees which may be collected as a result of the law change, however the fees collected will be distributed 75% Highway Funds, 15% Cities, and 10% Counties.

Officials from the **Department of Public Safety - Missouri Highway Patrol (DPS-MHP)** assume the proposal will have no fiscal impact on their organization. DPS-MHP state there were 57 tickets issued in 2015 and 76 tickets issued in 2016 for the offense of 21 years of age and under texting while driving with an approximate fine of \$83 per ticket. However, all fines may not have been paid (for example, the court could have thrown the ticket out or set the fine at a different amount).

ASSUMPTION (continued)

Officials from the **Office of the State Courts Administrator, Office of Prosecution Services, Department of Insurance, Financial Institutions and Professional Registration and Department of Transportation** each assume the proposal will have no fiscal impact on their respective organizations.

Based upon MHP's statement that only 57 tickets for texting while driving for 21 years of age or under were issued in 2015 and 76 issued in 2016, **Oversight** assumes a relatively minimal amount of fine revenue and license reinstatement revenue will be collected by expanding the offense to everyone.

Also, since it is unknown how many additional convictions the proposal will result in (depending on enforcement by peace officers as well as actions by prosecutors and judges), Oversight will assume a "Less than \$100,000" impact to the Highway Fund, Cities and Counties for additional reinstatement fees as well as a "Less than \$100,000" impact to revenue to local political subdivisions for additional fine revenue.

Additional fine revenue received by local school districts may count as a deduction in the following year in determining their state aid apportionment, if the district is not a 'hold harmless' district. For simplicity, Oversight will only reflect the increase in fine revenue as a positive impact to local political subdivisions.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
<b>HIGHWAY FUND</b>			
<u>Revenue</u> - Reinstatement fees (75%)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
<b>ESTIMATED NET EFFECT ON HIGHWAY FUND</b>	<b>Less than <u>\$100,000</u></b>	<b>Less than <u>\$100,000</u></b>	<b>Less than <u>\$100,000</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Revenue</u> - various local political subdivisions for tickets for using a cellular phone while driving	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Cities Reinstatement Fees (15%)	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Counties Reinstatement Fees (10%)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
<b>ESTIMATED NET EFFECT TO THE LOCAL POLITICAL SUBDIVISIONS</b>	<b>Less than <u>\$100,000</u></b>	<b>Less than <u>\$100,000</u></b>	<b>Less than <u>\$100,000</u></b>

FISCAL IMPACT - Small Business

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

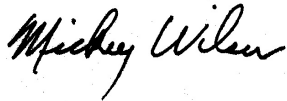
FISCAL DESCRIPTION

Currently, an individual 21 years of age or younger is prohibited from sending, reading, or writing a text message or electronic message from a hand-held electronic wireless communications device while operating a moving motor vehicle on any highway in this state. This proposal prohibits anyone, regardless of age, from these activities unless the device being used is equipped with technology allowing for voice-recognition hands-free texting and is being used in that manner while operating a noncommercial motor vehicle.

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 Public Safety - Missouri Highway Patrol  
Office of the State Courts Administrator  
Office of Prosecution Services  
Department of Insurance, Financial Institutions and Professional Registration



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January 31, 2017

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