

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0961-01
Bill No.: HB 284
Subject: Motor Vehicles; Roads and Highways
Type: Original
Date: January 4, 2017

Bill Summary: This proposal prohibits anyone from using a hand-held electronic wireless communication device while driving unless the device is equipped for hands-free operation and is being used in that manner.

FISCAL SUMMARY

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

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

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	Less than \$100,000	Less than \$100,000	Less than \$100,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)** assume 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 making or taking part in a phone call, and 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.

- Requires programming and user acceptance testing of MODL to develop a new conviction code for prohibited use of a hand-held device while driving.
- Requires updates to the following:
 - o Forms;
 - o Website; and
 - o Training of Staff.

Management Analyst I - 40 hours @ \$22 per hour = \$880

One FTE processes 320 convictions per day. The Department assumes that a minimum of one FTE (Revenue Processing Tech) will be needed to process the additional convictions resulting from these violations. If the volume of convictions received for processing exceeds 320 per day, then additional FTE will be required and will be requested through the appropriate process.

ASSUMPTION (continued)

A Telephone Information Operator (Revenue Processing Tech) is required to handle 100 calls per day. The Department assumes that a minimum of one FTE will be needed to answer the additional phone calls. If the calls received for these convictions exceed 100 calls per day, then additional FTE will be required and will be requested through the appropriate process.

OA-ITSD services will be required at a cost of \$3,078 (41.04 hours x \$75 per hour) in FY 2018.

In summary, DOR assumes a cost of \$3,958 (\$880 + \$3,078) in FY 2018.

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

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 **Office of Prosecution Services** assume the proposal will have no measurable fiscal impact. The creation of a new crime creates additional responsibilities for county prosecutors, which may in turn result in additional costs which are difficult to determine.

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).

Officials from the **Office of the State Courts Administrator, 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.

ASSUMPTION (continued)

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
HIGHWAY FUND			
<u>Revenue</u> - Reinstatement fees (75%)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
ESTIMATED NET EFFECT TO THE HIGHWAY FUND	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
LOCAL POLITICAL SUBDIVISIONS			
<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>
ESTIMATED NET EFFECT TO THE LOCAL POLITICAL SUBDIVISIONS	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>

FISCAL IMPACT - Small Business

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

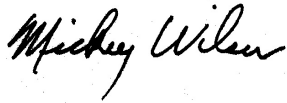
FISCAL DESCRIPTION

Currently, an individual 21 years of age or younger is prohibited from sending, reading, or writing a text message or electronic message from a hands-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 and from making or taking part in a phone call unless the device is equipped with technology allowing for hands-free operation or equipped for voice-recognition hands-free texting and is being used in that manner.

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



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Director
January 4, 2017

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