

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1172-01  
Bill No.: Perfected HB 805  
Subject: Motor Vehicles; Veterans  
Type: Original  
Date: March 15, 2017

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Bill Summary: This proposal changes the law regarding combat decoration license plates.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
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>

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 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
<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>			
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 from the **Department of Revenue (DOR)** state the following regarding this proposal:

#### **\$304.725**

Adds veterans who display Navy Cross, Distinguished Flying Cross, and Bronze Star special military license plates, along with Distinguished Service Cross, Air Force Cross, and Coast Guard Cross recipients, to parking provisions for those issued a placard.

Adds Distinguished Service Cross, Air Force Cross, and Coast Guard Cross recipients and those who have been issued Medal of Honor, Former POW, Purple Heart, Silver Star, Navy Cross, Distinguished Flying Cross, and Bronze Star special military license plates to veterans eligible to apply for and be issued a removable placard at no cost.

Adds Navy Cross, Distinguished Flying Cross, and Bronze Star special military license plates to related parking provisions.

### **Administrative Impact**

#### **Motor Vehicle Bureau (MVB)**

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours at a cost of \$838 in FY 2018.
- The Application for Missouri Military Personalized License Plates (DOR-4601) will need to be revised. This will require 40 hours for a Management Analyst Specialist I at a cost of \$838 in FY 2018.
- The Department's website will need to be updated. This will require 10 hours for an Administrative Analyst III at a cost of \$226 in FY 2018.

Current applicants for the placard must submit proof of military eligibility and proof the corresponding military award was received by the applicant. It is assumed the Department will maintain the same requirements for issuance of the placard.

ASSUMPTION (continued)

Administrative Impact (continued)

Since 2009 the Department has issued 220 "Bronze Star" placards to eligible applicants with 74 of them issued in FY 2016. There are currently 937 Bronze Star and Bronze Star of Valor special military license plates issued to eligible applicants, potentially 7.9% of eligible applicants obtained a Bronze Star placard in FY 2016.

This proposal would open the placard up to 2,884 additional eligible applicants. Applying the same percentage would mean 228 possible applicants in FY 2018.

Note: The 2,884 additional eligible applicants only accounts for the number of Medal of Honor, Former POW, Purple Heart, Silver Star, Navy Cross, and Distinguished Flying Cross special military license plates currently issued by the Department. Per the Missouri Veterans Commission, there is no mechanism to determine how many Missouri veterans were recipients of a specific award or medal. Therefore, the total number of eligible recipients of the Medal of Honor, Former POW, Purple Heart, Silver Star, Navy Cross, Distinguished Flying Cross, Distinguished Service Cross, Air Force Cross, and Coast Guard Cross in the state of Missouri is unknown, but could increase the overall number of applicants.

The current cost for the placard is \$.29 with a bulk order of 500 placards (the cost per placard decreases if the bulk order is larger). Assuming 228 additional placards issued in FY 2018 would result in an increased cost of \$55 in FY 2018 (10 Months), \$66 in FY 2019 and \$66 FY 2020.

The Department would incur an additional postage cost for mailing the additional placards.

- Assuming an additional 228 applications per year at a cost of \$101 in FY 2018 (10 Months), \$121 in FY 2019, and \$121 in FY 2020 for envelopes (\$0.04) and postage (\$0.49).

This proposal may have an additional unknown impact on the Department due to increased number of transactions, phone, and email correspondences. If the volume is significant enough that it cannot be absorbed by existing staff, additional FTE(s) will be requested through the appropriation process.

DOR assumes a total cost of \$2,058 in FY 2018 and approximately \$200 per year thereafter.

**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.

ASSUMPTION (continued)

Officials from the **University of Central Missouri, University of Missouri, Metropolitan Community College, Northwest Missouri State University, Missouri State Technical College, Missouri State University and Missouri Western State University** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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.

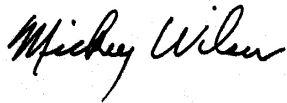
FISCAL DESCRIPTION

This bill specifies that a veteran recipient of the Navy Cross, Distinguished Cross, Distinguished Service Cross, Air Force Cross, or Coast Guard Cross may be issued a special combat decoration license plate or removable windshield placard at no cost to the veteran. Any individual who displays a placard may park his or her motor vehicle in a parking lot or garage on any public college or university in this state free of charge.

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  
University of Central Missouri  
University of Missouri  
Metropolitan Community College  
Northwest Missouri State University  
Missouri State Technical College  
Missouri State University  
Missouri Western State University

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
March 15, 2017

Ross Strobe  
Assistant Director  
March 15, 2017