

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1216-01
Bill No.: HB 539
Subject: Transportation; Roads and Highways; Licenses - Driver's
Type: Original
Date: January 31, 2017

Bill Summary: This proposal increases the penalties for the offense of failing to yield the right-of-way and the time period the court may order the suspension of a person's driving privilege for the offense.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(\$29,970)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$29,970)	\$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 6 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	Could exceed \$100,000	Could exceed \$100,000	Could exceed \$100,000

FISCAL ANALYSIS

ASSUMPTION

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

§ 304.351

This legislation would increase the penalties for any person who pleads guilty or is found guilty of a failure to yield the right-of-way violation where the offender is found to have caused serious injury or has caused a fatality. The court shall issue an order of suspension of the individual's driving privileges. In the event of a fatality, the proposed legislation would require the offender to complete a driver improvement program.

Administrative Impact

Driver License Bureau (DLB)

There are no statistics available for the Department to determine how many court ordered suspensions would be received for processing. If the volume is so significant that it cannot be absorbed by existing staff, additional FTE(s) will be requested through the appropriations process.

The proposed changes will require programming and user acceptance testing of the MODL system to add the failure to yield the right-of-way suspensions when involving a fatality:

- The Driver License Bureau estimates 160 hours of user acceptance testing by two Management Analyst Specialist I.

FY 2018

Two Management Analyst Specialist I - (80 hrs x 2)=160 @ \$20.59 per hr = \$3,350

The proposed changes will also require form revisions and website and procedure changes.

Update web page - Administrative Analyst III -	10 hrs @ \$22.59 = \$226
Update forms - Management Analysis Spec I -	40 hrs @ \$20.94 = \$838
Update procedures - Management Analysis Spec I -	40 hrs @ \$20.94 = <u>\$838</u>
	Total = \$1,902

OA-ITSD services will be required at a cost of \$29,970 (370 hours x \$75 per hour) in FY 2018.

In summary, DOR assumes a cost of \$35,222 (\$3,350 + \$1,902 + \$29,970) in FY 2018.

ASSUMPTION (continued)

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb some of the costs related to this proposal and will reflect a fiscal impact of \$29,970 for IT services.

Revenue Impact

There are no statistics available for the Department to determine how many court ordered suspensions will be received to process.

Fees collected will be distributed 75% Highway Funds, 15% Cities, and 10% Counties.

Since it is unknown how much additional revenue the reinstatement fees collected would produce, for fiscal note purposes only, **Oversight** will estimate revenue as: Less than \$100,000.

Officials at the **Office of the State Courts Administrator (OSCA)** assume the proposal increases the penalties for the offense of failing to yield the right-of-way and the time period the court may order the suspension of a person's driving privilege for the offense.

During the past five years, 2012 thru 2016, there was an average of 2,575 charges disposed statewide for charges under statute 304.351. The penalties in the proposal could amount to \$1,285,000 (2,575 * \$500) up to \$2,575,000 (2,575 * \$1,000).

Oversight notes since it is unknown how many of the 2,575 violations with guilty disposition resulted in injuries, serious injuries, or deaths, the amount of fine revenue will be reflected as: 'Could exceed \$100,000.' Oversight will assume the additional fine revenue will be distributed to local school districts.

Officials from the **Department of Transportation, Department of Public Safety - Missouri Highway Patrol, Office of Prosecution Services, Office of the State Public Defender, Callaway County** and **St. Louis County** 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
GENERAL REVENUE			
<u>Cost</u> - DOR - IT services	<u>(\$29,970)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>(\$29,970)</u>	<u>\$0</u>	<u>\$0</u>
HIGHWAY FUND			
<u>Income</u> - Additional revenue from reinstatement fees	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>
ESTIMATED NET EFFECT ON HIGHWAY FUNDS	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> - Cities and Counties Additional revenue from reinstatement fees	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>
<u>Revenues</u> - Local School Districts Income from fines	<u>Could exceed \$100,000</u>	<u>Could exceed \$100,000</u>	<u>Could exceed \$100,000</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>Could exceed \$100,000</u>	<u>Could exceed \$100,000</u>	<u>Could exceed \$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

This proposal increases the penalty for the offense of failing to yield the right-of-way from \$200 to at least \$500 but not more than \$1,000.

FISCAL DESCRIPTION (continued)

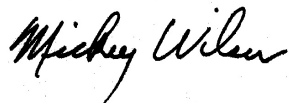
If serious physical injury is caused, the penalty is changed from up to \$500 to at least \$1,000 but not more than \$3,000 and the court is required to order the suspension of the person's driving privilege for 90 days. Currently, the court has discretion to order the suspension, but is not required to.

If the violation caused a fatality, the penalty is increased from up to \$1,000 to at least \$5,000 but not more than \$10,000. Currently, the court may order the suspension of the person's driving privilege for six months. The bill requires the court to order the suspension of the person's driving privilege for at least six months but not more than one year, and the individual must be required to participate in and successfully complete a driver improvement program approved by the Director of the Department of Revenue.

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
Office of the State Courts Administrator
Department of Transportation
Department of Public Safety - Missouri Highway Patrol
Office of the State Public Defender
Office of Prosecution Services
Callaway County
St. Louis County



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January 31, 2017

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January 31, 2017