

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4652-02
Bill No.: HB 1572
Subject: Disabilities; Licenses - Driver's
Type: Original
Date: January 8, 2018

Bill Summary: This proposal modifies provisions relating to driver's licenses for persons who are deaf or hard of hearing.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$38,854)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$38,854)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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

§302.174

- Replaces the phrase and definition of "hearing-impaired" with the phrase and definition for "hard of hearing person".
- Changes the notation on a driver license from "J88" to "DHH".

Administrative Impact

To implement the proposed language, the Department will be required to:

- Complete business requirements;
- Complete programming and user acceptance testing of the current driver license issuance system to modify the current notation;
- Submit request to the license vendor for modification to the current design and printing process for driver license, nondriver license, and permit documents to update the driver license notation to "DHH";
- Complete testing with factory print facility for the updated notation for card printing;
- Update procedures, driver guide, driver license brochure, forms, and the Department website;
- Develop a sign for the license office staff to display for the QR code; and
- Update the current rule 12 CSR 10-24.470 Procedure for Obtaining a "J88" Notation on a Driver License for Deafness or Hard of hearing to update the notation to "DHH".

FY 2019 - Driver License Bureau

Administrative Analyst II	240 hrs. @ \$17.13 per hr.	= \$4,111
Management Analysis Spec II	280 hrs. @ \$20.57 per hr.	= \$5,760
Revenue Manager Band I	120 hrs. @ \$25.05 per hr.	= \$3,006
Total		= \$12,877

FY 2019 - Personnel Services Bureau

Administrative Analyst III	30 hrs. @ \$19.43 per hr.	= \$583
Management Analysis Spec I	40 hrs. @ \$18.42 per hr.	= \$737
Total		= \$1,320

Total Costs **\$14,197**

ASSUMPTION (continued)

Administrative Impact (continued)

Vendor Costs

Estimated license vendor cost to modify card design and to update the driver license notation is **\$28,000**.

OA-ITSD services will be required at a cost of **\$10,854** (144.72 hours x \$75 per hour) in FY 2019.

In summary, DOR assumes a total cost of **\$53,051** (\$14,197 + \$28,000 + \$10,854) in FY 2019.

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; therefore, Oversight will reflect a fiscal impact of **\$38,854** for IT services and vendor costs in FY 2019.

Officials from the **Department of Public Safety - Missouri Highway Patrol** and **Department of Elementary and Secondary Education** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Cost - DOR - Vendor Cost</u>	(\$28,000)	\$0	\$0
<u>Cost - DOR - IT Services</u>	<u>(\$10,854)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$38,854)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<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 legislation includes individuals with hearing loss that impairs the capacity to discriminate ordinary speech in the class of persons eligible for a deaf or hard of hearing notation on their driver's license. The Missouri Commission for the Deaf and Hard of Hearing will make a video explaining the "DHH" notation and the right to receive it and the video will be posted in each driver's license office. The video is conducted in sign language and captioned in English.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Revenue
Department of Elementary and Secondary Education
Department of Public Safety - Missouri Highway Patrol
Office of the Secretary of State
Joint Committee on Administrative Rules

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director
January 8, 2018