

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5034-01
Bill No.: HB 2249
Subject: Motor Vehicles; Licenses - Motor Vehicle; Roads and Highways; Veterans
Type: Original
Date: February 3, 2020

Bill Summary: This proposal establishes a special license plate for persons who have been awarded a Meritorious Service Medal.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue	(\$9,245)	(\$984)	(\$984)
Total Estimated Net Effect on General Revenue	(\$9,245)	(\$984)	(\$984)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Highway Fund	\$1,875	\$2,250	\$2,250
Total Estimated Net Effect on Other State Funds	\$1,875	\$2,250	\$2,250

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
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 2021	FY 2022	FY 2023
Local Government	\$625	\$750	\$750

ASSUMPTION (continued)

FY 2021 - General Services Bureau

Administrative Office Support Assistant 5 hrs. @ \$13.78 per hr. = \$ 69

Total Costs = **\$4,688**

Oversight assumes DOR will use existing staff and will not hire additional FTE to conduct these activities; therefore, Oversight will not reflect the administrative costs DOR has indicated on the fiscal note.

Set-up cost

DOR notes the Department is charged \$215 for the initial set-up, design, and programming for a new specialty plate for passenger, truck, RV, disabled and motorcycle plates. This is a one-time fee that will be charged upon passage of this bill in FY 2021.

OA-ITSD services will be required at a cost of **\$8,209** in FY 2021 (86.4 hours x \$95 per hour).

Oversight does not have any information to the contrary in regards to DOR’s assumptions; therefore, Oversight will reflect DOR’s OA-ITSD costs on the fiscal note.

Revenue Impact

DOR notes this legislation will result in an increase in the \$15 specialty plate reservation fees collected. It is unknown how many eligible applicants reside in the State of Missouri and will elect to obtain a Meritorious Service Medal specialty plate, but the increase should be minimal. \$15 specialty plate reservation fees are split 75-15-10 to Highways, Cities, and Counties.

Oversight assumes, based on DOR’s assumptions for costs associated with the specialty plates, 200 applicants may choose to receive this specialty plate, resulting in \$3,000 per year in revenue.

	FY 2021 (10 Mos.)	FY 2022	FY 2023
Highway Fund	\$1,875	\$2,250	\$2,250
Cities	\$375	\$450	\$450
Counties	\$250	\$300	\$300

Source: Oversight

ASSUMPTION (continued)

Officials from the **Department of Transportation** defer to DOR for the fiscal impact of this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
GENERAL REVENUE FUND			
<u>Cost</u> - plate set-up & manufacturing p. 4	(\$840)	(\$750)	(\$750)
<u>Cost</u> - mailing p. 4	(\$93)	(\$111)	(\$111)
<u>Cost</u> - postage p. 5	(\$103)	(\$123)	(\$123)
<u>Cost</u> - OA-ITSD p. 5	(\$8,209)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$9,245)</u>	<u>(\$984)</u>	<u>(\$984)</u>
HIGHWAY FUND			
<u>Revenue</u> - specialty plate fees p. 5	\$1,875	\$2,250	\$2,250
ESTIMATED NET EFFECT ON THE HIGHWAY FUND	<u>\$1,875</u>	<u>\$2,250</u>	<u>\$2,250</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2021 (10 Mo.)	FY 2022	FY 2023
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> - Cities (15%) - specialty plate fees p. 5	\$375	\$450	\$450
<u>Revenue</u> - Counties (10%) - specialty plate fees p. 5	\$250	\$300	\$300
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$625</u>	<u>\$750</u>	<u>\$750</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 authorizes a special license plate for any recipient of the Meritorious Service Medal and provides proof as required by the Department of Revenue. The license plate will require an additional fee equal to the fee charged for personalized license plates. The plates will bear an image of the of the Meritorious Service Medal with the words "MERITORIOUS SERVICE" in place of the words "SHOW-ME STATE".

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



Julie Morff
Director
February 3, 2020



Ross Strobe
Assistant Director
February 3, 2020