

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0577H.02C
 Bill No.: HCS for HB 294
 Subject: Motor Vehicles; Revenue, Department of; Licenses - Driver's; Crimes and Punishment
 Type: Original
 Date: March 1, 2021

Bill Summary: This proposal modifies the penalty for certain traffic offenses.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue*	(Unknown, possibly greater than \$250,000)	(Unknown, possibly greater than \$250,000)	(Unknown, possibly greater than \$250,000)
Total Estimated Net Effect on General Revenue	(Unknown – possibly greater than \$250,000)	(Unknown – possibly greater than \$250,000)	(Unknown – possibly greater than \$250,000)

* Significant unknown costs for system updates and FTE for the Department of Revenue if law enforcement were required to send all citations for license suspension after the first infraction (Section 304.003).

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue	Unknown	Unknown	Unknown
Total Estimated Net Effect on FTE	Unknown	Unknown	Unknown

* Significant unknown costs for system updates and FTE for the Department of Revenue if law enforcement were required to send all citations for license suspension after the first infraction (Section 304.003).

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

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

Administrative Impact

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

- Update the electronic form 1454A to add selection for action to be taken pursuant to proposed section §304.003 RSMo.
- Update procedures to include reference to proposed section and form changes.

FY 2022 – Personnel Services Bureau

Associate Research/Data Analyst	10 hrs... @ \$19.08	= \$190.80
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Total Costs		=\$190.80
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The Department assumes it can absorb these costs associated with this legislation, and so will respond as a no impact. If multiple bills are passed that require resources, the Department will request FTE through the appropriations process.

The Department assumes there will be no increase in volume of notices of Lieu of Bail holds as they already apply these actions pursuant to section §544.045, RSMo. If there is an increase in volume of notices the Department may be required to request additional FTE.

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.

House Committee Substitute

DOR assumes the added language that requires the Department to suspend a driver license for every second and subsequent traffic citation issued for Chapter 304 related infractions would not be administrable. The Department only receives convictions for point assessable violations, or any other violation that results in administrative action on a driver license, after the court date or the fine is paid (thus guilt is established). The Department would not have a way to know about an applicable violation until the court date or the fine was paid. If law enforcement were to now be required to send all citations to the Department of Revenue, significant system update costs would be incurred, as well as FTE requirements to process the significant increase in citations the Department would receive.

Oversight assumes DOR will require significant resources, if in fact, the intention of the added language was to suspend a person’s drive license after two or more of any Chapter 304 (includes speeding, endangering a highway worker, etc.) violations. Oversight assumes these required resources will exceed \$250,000.

Officials from the **Missouri Department of Transportation, Office of the State Public Defender, Office of the State Courts Administrator and Missouri Office of Prosecution Services** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to a previous version, officials from the **Missouri Highway Patrol and Department of Corrections** each assumed the proposal would have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight notes the following charges were filed in 2020 for the sections in the bill:

Section Number	Charge	FY 2020 Number of Infractions	FY 2020 Number of Misdemeanors
304.010	Exceeded posted speed limit	7,928	45,104
304.011	Driving too slow in certain circumstances	N/A	4
304.013	Unlawful operation of an all-terrain vehicle	N/A	117
304.015	Failure to drive on appropriate lane or side of roadway	N/A	3,011
304.016	Failure to pass a vehicle appropriately	N/A	255
304.017	Following another vehicle too closely	N/A	1,001
304.019	Failure to signal properly	N/A	613
Section Number	Charge	FY 2020 Number of Infractions	FY 2020 Number of Misdemeanors
304.032	Unlawful operation of a utility vehicle	N/A	10
304.035	Failure to obey/stop at railroad crossing	N/A	11
304.044	Driver of bus/truck following too closely to another bus/truck	N/A	5
304.079	Failure to provide authorization for disabled parking	N/A	24
304.271	Failure to obey traffic control device	N/A	354
304.281	Failure to yield right of way in intersection/crosswalk and turning right on red when prohibited	N/A	392
304.301	Failure to proceed with caution past a flashing yellow signal and failure to stop at a flashing red light at stop line/crosswalk	5	13

304.341	Various failures to make proper turn	N/A	41
304.351	Various failures to yield	N/A	1,279

Oversight notes the following penalties per the Missouri Sentencing Advisory Commission:

Offense Type	Punishment
Infraction	Fine or fine and forfeiture
Class C misdemeanor	Up to 15 days in jail and a fine not to exceed \$700
Class D misdemeanor	A fine not to exceed \$500

Oversight notes, in the proposal, the state penalties are generally being reduced (i.e. from C misdemeanors to infractions, B misdemeanors to C misdemeanors, etc.). The fiscal impact to the state will depend upon judicial sentencing. However Oversight will reflect an unknown reduction in fine revenue to local political subdivisions due to the penalties being reduced for certain traffic violations. Oversight assumes court costs will remain as they are currently set.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE FUND			
<u>Cost – DOR – administrative and IT system resources (House Committee Substitute)</u>	<u>(Unknown – possibly greater than \$250,000)</u>	<u>(Unknown – possibly greater than \$250,000)</u>	<u>(Unknown – possibly greater than \$250,000)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Unknown – possibly greater than \$250,000)</u>	<u>(Unknown – possibly greater than \$250,000)</u>	<u>(Unknown – possibly greater than \$250,000)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
LOCAL POLITICAL SUBDIVISIONS			
<u>Loss - reduction in fine revenue</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

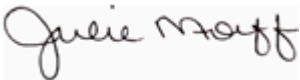
This bill repeals certain provisions that authorize arrest warrants for failure to respond, pay the assessed fine, or appear in court with respect to a traffic citation issued for an infraction under Chapter 304, RSMo, and instead authorizes a court to issue a notice of failure to respond, pay the assessed fine, or appear. No driver's license or driver's license renewal shall be issued if the applicant has delinquent fines and fees in connection with the traffic offense that have not been satisfied. Also, for a person's second or subsequent traffic citation issued for an infraction under the provisions of chapter 304, the person's license shall be suspended until such person pays any fine assessed or appears in court with respect to such traffic citation.

The bill also lowers the penalty for certain traffic offenses as specified in the bill.

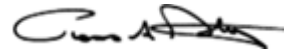
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Missouri Department of Transportation
Missouri Highway Patrol
Office of the State Public Defender
Department of Corrections
Missouri Office of Prosecution Services
Office of the State Courts Administrator



Julie Morff
Director
March 1, 2021



Ross Strobe
Assistant Director
March 1, 2021