

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1437H.01P
Bill No.: Perfected HB 578
Subject: Motor Vehicles; Licenses - Motor Vehicle; Revenue, Department of
Type: Original
Date: March 4, 2021

Bill Summary: This proposal modifies the motor vehicle biennial registration option so that all motor vehicles, regardless of model year, have a two-year registration option.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

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
Total Estimated Net Effect on FTE	0	0	0

- 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	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

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

Administrative Impact

§307.350, RSMo, requires that “any vehicle manufactured as an even-numbered model year shall be inspected and approved pursuant to the safety inspection program established pursuant to sections 304.350 to 307.390 in each even-numbered calendar year and any such vehicle manufactured as an odd-numbered model year vehicle shall be inspected and approved pursuant to sections 307.350 to 307.390 in each odd-numbered year.”

§301.020, RSMo, states that the Director of Revenue shall retain the odometer information provided in the vehicle inspection report. By removing the odd/odd, even/even language in §301.147, RSMo, the Department may not receive the mileage at time of registration.

Per §307.350, RSMo, and §301.020, RSMo, safety inspections and mileage are required at the time of registration. Until these issues are addressed, impact cannot be determined.

DOR states they are unable to provide the fiscal impact of this proposal due to conflicts in statute regarding safety inspections for vehicles in even/odd years; however, **Oversight** does not anticipate there being a significant fiscal impact to DOR based on when a motor vehicle is registered (even vs. odd year). Oversight assumes this allows some level of flexibility to DOR. Therefore, Oversight will not reflect a fiscal impact to DOR on this fiscal note.

Officials from the **Missouri Department of Transportation** and **Missouri Highway Patrol** 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.

House Amendment 1

Officials from the **Department of Revenue** assume there will be no impact from the amendment. However, the Department is unaware of what vehicles have or do not have frames or mounting brackets for front license plates. Citizens may continue to opt for one license plate rather than two, therefore creating waste in manufacturing plates.

Oversight assumes DOR will not incur any savings from the amendment because two license plates will still be manufactured; therefore, Oversight will not reflect a fiscal impact to DOR. Officials from the **Missouri Department of Transportation** and **Missouri Highway Patrol** each assume the amendment 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.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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

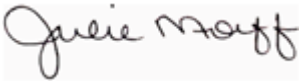
This bill repeals the provision of law which require that vehicles manufactured as an even-numbered model year must be renewed each even-numbered calendar year and that vehicles manufactured as an odd-numbered model year must be renewed each odd-numbered calendar year.

This bill also removes the requirement to have a front license plate if the vehicle does not come equipped with a front license plate bracket.

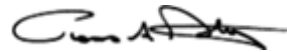
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Missouri Department of Transportation
Missouri Highway Patrol



Julie Morff
Director
March 4, 2021



Ross Strobe
Assistant Director
March 4, 2021