

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0299-01  
Bill No.: SB 54  
Subject: Motor Vehicles; Licenses-Motor Vehicles; Revenue Dept.  
Type: Original  
Date: January 17, 2003

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**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2004</b> | <b>FY 2005</b> | <b>FY 2006</b> |
|   |                |                |                |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |                 |                 |                 |
|---|-----------------|-----------------|-----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2004</b>  | <b>FY 2005</b>  | <b>FY 2006</b>  |
| Air Pollution Fund  | (\$15,167)      | (\$16,500)      | (\$16,500)      |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$15,167</b> | <b>\$16,500</b> | <b>\$16,500</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS                                 |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2004    | FY 2005    | FY 2006    |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>All</u><br/>Federal Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| ESTIMATED NET EFFECT ON LOCAL FUNDS |            |            |            |
|-------------------------------------|------------|------------|------------|
| FUND AFFECTED                       | FY 2004    | FY 2005    | FY 2006    |
|                                     |            |            |            |
| <b>Local Government</b>             | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

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### **FISCAL ANALYSIS**

#### **ASSUMPTION**

Officials from the **Missouri State Highway Patrol** assume the proposed legislation would have no fiscal impact on their agency.

Officials from the **Department of Revenue** assume the proposed legislation would have minimal administrative impact on their agency.

Officials from the **Department of Transportation (MoDOT)** assume there will be little to no fiscal impact on the department as a result of this legislation at this time. MoDOT officials state it is important to note that in the event that St. Louis is reclassified to a "serious" nonattainment area, the U.S. Environmental Protection Agency (EPA) could impose a 100 percent sanction on all federal funds to MoDOT or to St. Louis. The Clean Air Act contains more stringent requirements for the emissions inspection program in "serious" areas. The negative impact in this scenario could range from \$250,000,000 to \$730,000,000 beginning in Fiscal Year 2005. In the past, the EPA has not gone beyond the region, however, it is possible to lose all highway funds (\$730,000,000).

**Oversight** assumes that action by the U.S. Environmental Protection Act (EPA) is a matter of

speculation. Therefore, possible losses of federal funds are not shown on the fiscal impact.

ASSUMPTION (continued)

Officials with the **Department of Natural Resources (DNR)** noted that switching to biennial emissions testing reduces state revenue from Franklin County by fifty percent. Officials estimate 44,000 annual paid inspections based on an estimate from the contractor performing the emission inspections. Each paid test results in \$0.75 in state revenue.

**Oversight** assumes that the effective date of this proposal is August 28, 2003. Therefore, Oversight prorated the loss of revenue to the indicated funds at ten months in FY 04.

FY 04 (10 mo) Income Loss  
 (44,000 inspections /2)(.75 each)      \$16,500  
 Prorated for ten months                      \$13,750

FY 05 Income Loss  
 (44,000 inspections /2)(.75 each)      \$16,500

FY06 Income Loss  
 (44,000 inspections /2)(.75 each)      \$16,500

|   |                     |         |         |
|---|---------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2004<br>(10 Mo.) | FY 2005 | FY 2006 |
|---|---------------------|---------|---------|

**MISSOURI AIR POLLUTION  
 CONTROL FUND**

|                                  |                   |                   |                   |
|----------------------------------|-------------------|-------------------|-------------------|
| Income (Loss)-DNR                |                   |                   |                   |
| Emissions testing inspection fee | <u>(\$15,167)</u> | <u>(\$16,500)</u> | <u>(\$16,500)</u> |

|  |                          |                          |                          |
|--|--------------------------|--------------------------|--------------------------|
| <b>NET ESTIMATED EFFECT ON AIR<br/>         POLLUTION FUND</b> | <b><u>(\$15,167)</u></b> | <b><u>(\$16,500)</u></b> | <b><u>(\$16,500)</u></b> |
|--|--------------------------|--------------------------|--------------------------|

|   |                     |            |            |
|---|---------------------|------------|------------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2004<br>(10 Mo.) | FY 2005    | FY 2006    |
|   | <u>\$0</u>          | <u>\$0</u> | <u>\$0</u> |

### FISCAL IMPACT - Small Business

Small businesses could be affected by the provisions in this proposal. An industry which requires vehicle maintenance could be affected by the higher biennial rate.

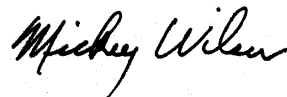
### DESCRIPTION

This proposal could allow the residents of Franklin County to choose an annual BAR-97 test to fulfill vehicle emissions testing requirements. This bill makes the BAR-97 test biennial and increases the maximum testing fee from \$10.50 to \$24.

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 Natural Resources  
Department of Revenue  
Department of Public Safety  
Missouri Highway Patrol  
Department of Transportation



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Director  
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