

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0504-01  
Bill No.: SB 106  
Subject: Licenses - Motor Vehicle; Revenue Department  
Type: Original  
Date: January 24, 2011

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Bill Summary: This proposal allows persons who have been awarded the combat action badge to obtain "COMBAT ACTION" specialized license plates.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(Less than \$50,000)	(Less than \$50,000)	(Less than \$50,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Less than \$50,000)</b>	<b>(Less than \$50,000)</b>	<b>(Less than \$50,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Highway Fund	Less than \$50,000	Less than \$50,000	Less than \$50,000
<b>Total Estimated Net Effect on Other State Funds</b>	<b>Less than \$50,000</b>	<b>Less than \$50,000</b>	<b>Less than \$50,000</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>
<b>Local Government</b>	<b>Less than \$50,000</b>	<b>Less than \$50,000</b>	<b>Less than \$50,000</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Public Safety - Missouri Veterans Commission** and the **Office of Director** and the **Department of Corrections - Missouri Vocational Enterprises** state this proposal will have no fiscal impact on their respective agencies.

The **Department of Revenue (DOR)** response to proposals similar to, or identical to, this one in previous sessions indicated DOR planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff, and the limitations within the DOR motor vehicle legacy systems, changes cannot be made without significant impact to DOR resources and budget. Therefore, the fiscal impact of this proposal is estimated as follows:

### ADMINISTRATIVE IMPACT

#### Motor Vehicle Bureau:

- Procedures will need to be revised by a Management Analyst Specialist I requiring 40 hours of overtime at a cost of \$805 in FY 12.
- The Application for Missouri Military Personalized License Plates (DOR-4601) will need to be revised to include a new military plate type. This will require 40 hours of overtime for a Management Analyst Specialist I, at a cost of \$805 in FY 12.
- The DOR web site will need to be updated to include the new plate type. This will require 10 hours of overtime for an Administrative Analyst III, at a cost of \$218 in FY 12.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. **Oversight** assumes DOR could absorb the personal service costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

DOR is charged \$250 for the initial set-up of a new specialty plate for passenger, truck, and RV as well as an additional charge of \$90 each to include disabled and motorcycle plates, for a total of \$430 for the initial set-up. This is a one-time fee that will be charged upon passage of this bill in FY 12.

Currently, it costs DOR \$4.25 per plate, \$8.50 per set of plates, for manufacturing flat plates through Missouri Vocational Enterprises. The number of applicants who will wish to obtain this

ASSUMPTION (continued)

plate is unknown. DOR is assuming 200 applicants in FY 12 at a cost to DOR of \$1,700 in FY 12.

Total cost for plate set-up and manufacturing: FY 12 \$1,847

Information Technology - OA-ITSD (DOR):

System Modifications: The Title and Registration Intranet Processing System (TRIPS) plate table would need to be updated to reflect the Combat Action plate.

REVENUE IMPACT

The number of applicants who will wish to obtain this plate is unknown. However, for each 100 Combat Action military plate applications received, DOR assumes there will be an increase in revenue each year of \$1,500 that would be distributed 75% to Highway Fund, 15% to cities, and 10% to counties as a result of the \$15 military plate fee.

It is unknown how many applicants there will be during the scope of this fiscal note. Military specialty plates do not have a required number of applications before the plate can be produced. For fiscal note purposes only, **Oversight** will estimate revenue as: Less than \$50,000. **Oversight** will also estimate cost to General Revenue as: (Less than \$50,000).

Officials from the **Department of Transportation** concur with the Department of Revenue regarding the fiscal impact of this proposal.

Officials from the **Missouri National Guard** did not respond to a request for fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>GENERAL REVENUE</b>			
<u>Cost</u> - Department of Revenue - Processing costs for specialty plates	(Less than <u>\$50,000</u> )	(Less than <u>\$50,000</u> )	(Less than <u>\$50,000</u> )
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(Less than \$50,000)</u></b>	<b><u>(Less than \$50,000)</u></b>	<b><u>(Less than \$50,000)</u></b>
<b>HIGHWAY FUND</b>			
<u>Income</u> - Specialty plate fees	Less than <u>\$50,000</u>	Less than <u>\$50,000</u>	Less than <u>\$50,000</u>
<b>ESTIMATED NET EFFECT ON HIGHWAY FUND</b>	<b><u>Less than \$50,000</u></b>	<b><u>Less than \$50,000</u></b>	<b><u>Less than \$50,000</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Income</u> - Cities and Counties - Specialty plate fees	Less than <u>\$50,000</u>	Less than <u>\$50,000</u>	Less than <u>\$50,000</u>
<b>ESTIMATED NET EFFECT ON POLITICAL SUBDIVISIONS</b>	<b><u>Less than \$50,000</u></b>	<b><u>Less than \$50,000</u></b>	<b><u>Less than \$50,000</u></b>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

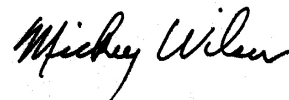
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Department of Corrections  
    Missouri Vocational Enterprises  
Department of Transportation  
Department of Public Safety  
    Office of the Director  
    Missouri Veterans Commission

NOT RESPONDING

**Missouri National Guard**



Mickey Wilson, CPA  
Director  
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