

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5618-02
Bill No.: SCS for SB 719
Subject: Boats and Watercraft; Water Patrol
Type: Original
Date: February 16, 2012

Bill Summary: This proposal authorizes the issuance of temporary boating safety identification cards to nonresidents under certain circumstances.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| | | | |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| Water Patrol Fund | \$6,700 | \$6,700 | \$6,700 |
| | | | |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$6,700 | \$6,700 | \$6,700 |

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| | | | |
| | | | |
| Total Estimated Net Effect on FTE | 0 | 0 | 0 |

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).

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2013 | FY 2014 | FY 2015 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol** state this bill would require any person or company that rents or sells vessels to issue a temporary boating safety identification card to a nonresident in order to operate a rented vessel or vessel being considered for sale for a period up to seven days. The cost to purchase a permit is \$7.

Because nonresidents will not be eligible for more than one temporary boating safety identification card, the Highway Patrol states that it would take two FTE approximately 400 hours to design, develop, test, and implement a database for officers to access in order to verify compliance. The Patrol will develop this program in-house; therefore, any costs associated with the development and implementation of this database will be absorbed by the Patrol. In addition, the cost for approximately 1,000 permits which includes the water-proof paper and printing would be approximately \$300. The Patrol assumes it will sell between 500 and 1,000 permits in a year. For purposes of this fiscal note, the Patrol estimates that 1,000 permits will be issued throughout a year ($\$7 \times 1,000 = \$7,000$). The Patrol assumes the cost and revenue from this proposal will be through the Water Patrol Fund.

This Senate Committee Substitute has an emergency clause; therefore, **Oversight** will reflect a full year of impact in FY 2013.

Officials from the **Office of the Secretary of State** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$2,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor

| <u>FISCAL IMPACT - State Government</u> | FY 2013 | FY 2014 | FY 2015 |
|---|-----------------------|-----------------------|-----------------------|
| WATER PATROL FUND | | | |
| <u>Income</u> - Missouri Water Patrol | | | |
| Sale of temporary boating safety identification cards to nonresidents | \$7,000 | \$7,000 | \$7,000 |
| <u>Cost</u> - Missouri Water Patrol | | | |
| Cost of temporary boating safety identification cards | <u>(\$300)</u> | <u>(\$300)</u> | <u>(\$300)</u> |
| ESTIMATED NET EFFECT TO THE WATER PATROL FUND | <u>\$6,700</u> | <u>\$6,700</u> | <u>\$6,700</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2013 | FY 2014 | FY 2015 |
|---|-------------------|-------------------|-------------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

Small businesses that rent/sell boats or personal watercraft could be positively impacted as a result of this proposal.

FISCAL DESCRIPTION

Any person or company that rents or sells vessels may issue temporary boating safety identification cards to nonresidents to operate rented vessels or vessels being considered for sale, for a period of up to 7 days, provided that the individual meets the minimum age requirements for operating a vessel in this state. In order to qualify for the temporary boating safety identification card, the applicant shall sign an affidavit that he or she has reviewed the Missouri State Highway Patrol Handbook of Missouri Boating Laws and Responsibilities. The Missouri State Highway Patrol shall charge a fee \$7 for the temporary boating safety identification card. The business entity renting the vessel shall be responsible for processing the temporary boating

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FISCAL DESCRIPTION (continued)

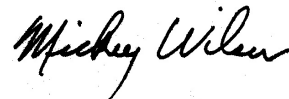
safety identification card and shall collect and forward all fees collected and copies of all temporary boating safety identification cards issued to the Missouri State Water Patrol on a monthly basis. Under the act, the Missouri State Water Patrol is authorized to develop the temporary boating safety identification card. Nonresidents shall not be eligible for more than one temporary boating safety identification card.

The substitute has an emergency clause.

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

Office of the Secretary of State
Department of Public Safety



Mickey Wilson, CPA
Director
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