

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3839H.06C  
 Bill No.: HCS for SS for SCS for SB 1087  
 Subject: Licenses - Driver's; Department of Revenue; Motor Vehicles  
 Type: Original  
 Date: March 19, 2026

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Bill Summary: This proposal modifies provisions relating to driver's licenses.

**FISCAL SUMMARY**

**ESTIMATED NET EFFECT ON GENERAL REVENUE FUND**

| FUND AFFECTED  | FY 2027                             | FY 2028                             | FY 2029                             |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| General Revenue                                      | Could exceed<br>(\$195,597)         | Could exceed<br>(\$190,492)         | Could exceed<br>(\$193,163)         |
| <b>Total Estimated Net Effect on General Revenue</b> | <b>Could exceed<br/>(\$195,597)</b> | <b>Could exceed<br/>(\$190,492)</b> | <b>Could exceed<br/>(\$193,163)</b> |

**ESTIMATED NET EFFECT ON OTHER STATE FUNDS**

| FUND AFFECTED   | FY 2027          | FY 2028          | FY 2029          |
|---|------------------|------------------|------------------|
| Highway Fund<br>(1644)  | \$123,075        | \$246,150        | \$246,150        |
| <b>Total Estimated Net Effect on <u>Other</u> State Funds</b> | <b>\$123,075</b> | <b>\$246,150</b> | <b>\$246,150</b> |

Numbers within parentheses: () indicate costs or losses.

**ESTIMATED NET EFFECT ON FEDERAL FUNDS**

| FUND AFFECTED   | FY 2027    | FY 2028    | FY 2029    |
|---|------------|------------|------------|
|   |            |            |            |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

**ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)**

| FUND AFFECTED                            | FY 2027      | FY 2028      | FY 2029      |
|--|--------------|--------------|--------------|
| General Revenue                          | 2 FTE        | 2 FTE        | 2 FTE        |
| <b>Total Estimated Net Effect on FTE</b> | <b>2 FTE</b> | <b>2 FTE</b> | <b>2 FTE</b> |

- 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 2027         | FY 2028         | FY 2029         |
|-------------------------|-----------------|-----------------|-----------------|
|                         |                 |                 |                 |
| <b>Local Government</b> | <b>\$41,025</b> | <b>\$82,050</b> | <b>\$82,050</b> |

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Missouri Office of Prosecution Services** did not respond to **Oversight's** request for fiscal impact for this proposal.

### §§302.309 & 302.341 – Driver's Licenses Provisions

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

#### *Administrative Impact*

To implement the proposed legislation, the Department will:

- Program and test changes to FUSION
- Develop and test new correspondence
- Update reports, forms, and the Department website
- Training for employees

#### FY 2027 – Driver License Bureau (testing of forms and website updates)

Research/Data Analyst 160 hrs. @ \$37.14 per hr. = \$5,942

Associate Research/Data Analyst 160 hrs. @ \$31.16 per hr. = \$4,986

Administrative Manager 40 hrs. @ \$51.40 per hr. = \$2,056

Total = \$12,984

#### FY 2027 – Strategy and Communications Office (forms and website updates)

Associate Research/Data Analyst 40 hrs. @ \$31.16 per hr. = \$1,246

Total = \$14,230

**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.

#### FUSION Impact

**DOR** notes: Implementation Consultant 100 hrs. @ \$225 per hr. = **\$22,500**

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the FUSION impact as provided by DOR.

Driver License Bureau

**DOR** notes currently, the department processes Instate Failure to Appear (FACT) suspensions from state courts for major and minor traffic violations, and for county and municipal courts for major violations. The department is allowed to process suspensions on minor violations if the following occur:

- The violation occurred in a Commercial Motor Vehicle (CMV)
- The driver is a Commercial Driver License holder (CDL)
- The violation occurred in a school or construction zone
- The driver is involved in an accident or accident with injury

Prior to the passage of Senate Bill 5 in 2015, the department was able to process FACT suspensions from all courts for both major and minor traffic violations. Therefore, the following statistics are available showing the decreased volume of suspensions processed by the law change and the Municipal Court practices revised by the Missouri Supreme Court ruling.

|          |   |
|----------|---|
| FY 2015: | 119,141 FACT suspensions processed by the department<br>77,281 FACT compliances processed by the department |
| FY 2016: | 60,460 FACT suspensions processed by the department<br>44,651 FACT compliances processed by the department  |
| FY 2017: | 41,405 FACT suspensions processed by the department<br>28,544 FACT compliances processed by the department  |
| FY 2018: | 38,249 FACT suspensions processed by the department<br>27,975 FACT compliances processed by the department  |
| FY 2019: | 39,108 FACT suspensions processed by the department<br>25,562 FACT compliances processed by the department  |
| FY 2020: | 27,640 FACT suspensions processed by the department<br>29,692 FACT compliances processed by the department  |
| FY 2021: | 16,165 FACT suspensions processed by the department<br>39,176 FACT compliances processed by the department  |
| FY 2022: | 18,580 FACT suspensions processed by the department<br>20,113 FACT compliances processed by the department  |
| FY 2023: | 14,893 FACT suspensions processed by the department<br>25,126 FACT compliances processed by the department  |

FY 2024: 11,879 FACT suspensions processed by the department  
9,837 FACT compliances processed by the department

FY 2025: 13,855 FACT suspension processed by the department  
28,276 FACT compliances processed by the department

The suspensions processed decreased from:  
FY 2015 to FY 2025 at 88% ( $119,141 - 13,855 = 105,286$ ,  $105,286 / 119,141 = 88\%$ ).

The compliances processed decreased from:  
FY 2015 to FY 2025 at 63% ( $77,281 - 28,276 = 49,005$ ,  $49,005 / 77,281 = 63\%$ ).

The Department anticipates that suspensions will increase by 88% and compliances will increase by 63%.

FY 2027: 26,047 FACT suspensions ( $13,855 + 12,192$  (88% increase) = 26,047)  
46,090 FACT compliances ( $28,276 + 17,814$  (63% increase) = 46,090)

### FTE Requirements

#### Document Processing

|              |  |
|--------------|--|
| 12,192       | Additional FACT suspensions received annually    |
| <u>/ 240</u> | Workdays per year                                |
| 51           | Additional suspension notices received daily     |
| <u>/ 248</u> | # of documents a CSR can process daily           |
| 0.21         | .21 FTE needed to process additional suspensions |

|              |   |
|--------------|---|
| 17,814       | Additional FACT compliances received annually   |
| <u>/ 240</u> | Workdays per year                               |
| 74           | Additional compliance notices received daily    |
| <u>/ 360</u> | # of documents an CSR can process daily         |
| 0.21 =       | .21 FTE needed to process additional suspension |

If the increase is more significant than anticipated, and unable to be absorbed by existing staff, additional FTE may be requested through the routine appropriations process.

**Oversight** assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the 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.

Telephone Inquiries

**DOR** notes a telephone operator is expected to process 65 telephone inquiries daily.

|              |   |
|--------------|---|
| 12,192       | Additional FACT Suspension received annually    |
| <u>x 88%</u> | Percent which will generate telephone inquiries |
| 10,729       |   |

|                 |  |
|-----------------|--|
| 26,518          | Current call volume for reinstatement requirements |
| <u>+ 10,729</u> | Additional calls generated                         |
| 37,247          |  |

|              |   |
|--------------|---|
| 37,247       |   |
| <u>/ 240</u> | Workdays per year                                 |
| 155          | Telephone inquiries received per day              |
| <u>/ 65</u>  | Telephone inquiries processed per day             |
| 2.38         | <b>2 FTE</b> needed to answer telephone inquiries |

Increased Postage, Envelope, & Printing Costs

First Class Mail Costs:

- Suspension notices = 12,192 per year
- Reinstatement notices = 17,814 per year

Projected increase in mail = 30,006 per year

FY2027:  $30,006/12 \text{ mos.} = 2,501 \times 6 \text{ mo.} = 15,003$  pieces of mail in the first year after bill passage x \$0.74 = \$11,102 first class postage cost

FY2028: = \$22,204 first class postage cost

FY2029: = \$22,204 first class postage cost

Envelope Costs:

- Total envelopes = 30,006 per year

FY2027:  $30,006/12 \text{ mos.} = 2,501 \times 6 \text{ mos.} = 15,003$  envelopes in the first year after bill passage x \$0.07 = \$1,050 envelope cost

FY2028: = \$2,100 envelope cost

FY2029: = \$2,100 envelope cost

Letter printing cost:

- 30,006 letters per year

FY2027:  $30,006/12 \text{ mos.} = 2,501 \times 6 \text{ mos.} = 15,003$  pieces of mail in the first year after bill passage  $\times \$0.096$  per 1,000 = \$1.50 ( $15,003/1000 = 15 \times \$0.10$  printing cost)

FY2028: = \$3.00 printing cost

FY2029: = \$3.00 printing cost

Total Postage, Envelope, Printing Costs:

FY2027: \$11,102 (1st class) + \$1,050 (envelopes) + \$1.50 (printing) = \$12,153.50

FY2028: \$22,204 (1st class) + \$2,100 (envelopes) + \$3.00 (printing) = \$24,307.00

FY2029: \$22,204 (1st class) + \$2,100 (envelopes) + \$3.00 (printing) = \$24,307.00

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the FTE (2) and mailing costs as provided by DOR.

Revenue Impact

**DOR** notes, based on FY 2022 statistics, the department estimates that 63% of those individuals who are suspended will submit the fee required for reinstatement. The department anticipates the same rate for this program. This will result in reinstatement fees collected for approximately 16,410 actions annually based off FY 2027 projected numbers.

The reinstatement fee for an Instate Failure to Appear Suspension is \$20.

Projected increase in reinstatement fees collected annually = **\$328,200**

Missouri constitution, Article IV, Section 30(b) requires funds collected by the department be remitted to the state Highway fund 75%, to the cities 15%, and to the counties 10%.

**Oversight** does not have information to the contrary and therefore, Oversight will reflect the increased revenue estimates as provided by DOR.

In addition, Oversight assumes there will be an increase in court revenue due to an increase in compliance in paying fines and court costs as noted by DOR. A portion of the fine goes to local schools as fine revenue and the remaining goes to various state and local funds for court costs. Oversight assumes there will be some (less than \$250,000) fine revenue from violations of the statute. For simplicity, Oversight will not reflect the increased revenue from fines and court costs to various state funds and local political subdivisions.

Below are examples of some of the state and local funds which court costs are distributed to.

|   | <b>Fee Amount</b>                   |
|---|-------------------------------------|
| Basic Civil Legal Services Fund                         | \$8.00                              |
| Clerk Fee   | \$15.00 (\$12 State/\$3 County)     |
| County Fee  | \$25.00                             |
| State Court Automation Fund                             | \$7.00                              |
| Crime Victims' Compensation Fund                        | \$7.50                              |
| DNA Profiling Analysis Fund                             | \$15.00                             |
| Peace Officer Standards and Training (POST) Fund        | \$1.00                              |
| Motorcycle Safety Trust Fund                            | \$1.00                              |
| Brain Injury Fund                                       | \$2.00                              |
| Independent Living Center Fund                          | \$1.00                              |
| Sheriff's Fee   | \$10.00 (County)                    |
| Prosecuting Attorney and Circuit Attorney Training Fund | \$5.00                              |
| Prosecuting Attorney Training Fund                      | \$5.00 (\$2.50 State/\$2.50 County) |
| Spinal Cord Injury Fund                                 | \$2.00                              |

In response to a previous version, officials from the **Office of the State Public Defender (SPD)** assumed by its nature, the changes to §302.341 in this bill will likely increase the number of charges for driving while revoked under §302.321. Though the first offense for driving while revoked is punishable only as a fine and thus does not require representation, the second and third violation are an A misdemeanor, and any subsequent violation is an E felony. These enhanced charges would require that the defendant be represented. For this reason, it is likely this bill will increase the number of cases requiring representation by the State Public Defender

Per the National Public Defense Workload Study, any additional charges described above would take approximately twenty-two hours of SPD work for reasonably effective representation. If one hundred additional cases were filed in a fiscal year, representation would result in a need for an additional attorney. Because the number of cases that will be filed is unknown, the exact additional number of attorneys necessary is unknown. Each case would also result in unknown increased costs in the need for core staff, travel and litigation expenses.

**Oversight** assumes this proposal will create a minimal number of new cases and that the SPD can absorb the additional caseload required by this proposal with current staff and resources. Therefore, Oversight will reflect no fiscal impact to the SPD for fiscal note purposes. However, if multiple bills pass which require additional staffing and duties, the SPD may request funding through the appropriation process.

Officials from the **Office of the State Courts Administrator (OSCA)** state this proposal may have some impact but there is no way to quantify that amount currently. Any significant changes will be reflected in future budget requests.

**Oversight** notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 or (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

Officials from the **Missouri Highway Patrol** and **Missouri Department of Transportation** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

**Oversight** only reflects the responses that we have received from state agencies and political subdivisions; however, county commissioners and county circuit clerks were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

| <u>FISCAL IMPACT – State Government</u>   | FY 2027<br>(6 Mo.)         | FY 2028                    | FY 2029                    |
|---|----------------------------|----------------------------|----------------------------|
| <b>GENERAL REVENUE</b>  |                            |                            |                            |
| <u>Cost – DOR (§§302.309 &amp; 302.341)</u><br>p.6                                  |                            |                            |                            |
| Personnel Service   | (\$77,792)                 | (\$95,217)                 | (\$97,122)                 |
| Fringe Benefits   | (\$58,515)                 | (\$70,968)                 | (\$71,734)                 |
| Expense & Equipment   | (\$24,636)                 | \$0                        | \$0                        |
| <b>Total Costs - DOR</b>  | <b>(\$160,943)</b>         | <b>(\$166,185)</b>         | <b>(\$168,856)</b>         |
| FTE Change - DOR  | 2 FTE                      | 2 FTE                      | 2 FTE                      |
| <u>Cost – DOR (§§302.309 &amp; 302.341)</u><br>FUSION impact p.3                    | (\$22,500)                 | \$0                        | \$0                        |
| <u>Cost – DOR (§§302.309 &amp; 302.341)</u><br>Mailing costs p.7                    | (\$12,154)                 | (\$24,307)                 | (\$24,307)                 |
| <u>Cost – OSCA (§§302.309 &amp; 302.341)</u><br>Potential increased court costs p.9 | \$0 or<br><u>(Unknown)</u> | \$0 or<br><u>(Unknown)</u> | \$0 or<br><u>(Unknown)</u> |

| <u>FISCAL IMPACT – State Government</u>  | FY 2027<br>(6 Mo.)                         | FY 2028                                    | FY 2029                                    |
|--|--|--|--|
| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>   | <b>Could exceed<br/><u>(\$195,597)</u></b> | <b>Could exceed<br/><u>(\$190,492)</u></b> | <b>Could exceed<br/><u>(\$193,163)</u></b> |
| Estimated Net FTE Change to General Revenue  | 2 FTE                                      | 2 FTE                                      | 2 FTE                                      |
| <b>HIGHWAY FUND (1644)</b>   |  |  |  |
| <u>Revenue Gain – (75%) (§§302.309 &amp; 302.341) Increase in reinstatement fees p.7</u> | <u>\$123,075</u>                           | <u>\$246,150</u>                           | <u>\$246,150</u>                           |
| <b>ESTIMATED NET EFFECT ON THE HIGHWAY FUND</b>  | <b><u>\$123,075</u></b>                    | <b><u>\$246,150</u></b>                    | <b><u>\$246,150</u></b>                    |

| <u>FISCAL IMPACT – Local Government</u>   | FY 2027<br>(6 Mo.)     | FY 2028                | FY 2029                |
|---|------------------------|------------------------|------------------------|
| <b>LOCAL POLITICAL SUBDIVISIONS</b>   |                        |                        |                        |
| <u>Revenue Gain (Cities 15%) (§§302.309 &amp; 302.341) Increase due to increase in reinstatement fees p.7</u>   | <u>\$24,615</u>        | <u>\$49,230</u>        | <u>\$49,230</u>        |
| <u>Revenue Gain (Counties 10%) (§§302.309 &amp; 302.341) Increase due to increase in reinstatement fees p.7</u> | <u>\$16,410</u>        | <u>\$32,820</u>        | <u>\$32,820</u>        |
| <b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>   | <b><u>\$41,025</u></b> | <b><u>\$82,050</u></b> | <b><u>\$82,050</u></b> |

FISCAL IMPACT – Small Business

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


FISCAL DESCRIPTION

This proposal modifies provisions relating to driver's licenses.

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 Highway Patrol  
Missouri Department of Transportation  
Office of the State Public Defender  
Office of the State Courts Administrator



Julie Morff  
Director  
March 19, 2026



Jessica Harris  
Assistant Director  
March 19, 2026