

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5907H.03C
Bill No.: HCS for SB 1408
Subject: Transportation; Department of Transportation
Type: Original
Date: April 24, 2026

Bill Summary: This proposal modifies provisions relating to transportation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	Could exceed (\$644,396)	Could exceed (\$190,492)	Could exceed (\$193,163)
Total Estimated Net Effect on General Revenue	Could exceed (\$644,396)	Could exceed (\$190,492)	Could exceed (\$193,163)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Conservation Commission Fund (1609)	Unknown	Unknown	Unknown
Highway Fund (1644)	\$44,374,853	\$44,055,534	Less than \$33,643,162
Highway Patrol Inspection Fund (1297)	(\$437,500)	(\$875,000)	Less than (\$875,000)
Motor Vehicle Commission Fund (1588)	\$465,116	\$465,116	\$465,116
Parks, Soils and Water Fund (1613 & 1614)	Unknown	Unknown	Unknown
School District Trust Fund (1688)	Unknown	Unknown	Unknown
State Road Bond Fund (1319)	Unknown	Unknown	Unknown
State Road Fund (1320)*	Less than (\$384,000)	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	More than \$44,018,469	More than \$43,645,650	More than \$33,233,278

*It is unknown how many vehicle owners will request to do the five-year vehicle registration option.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	2 FTE	2 FTE	2 FTE
Highway Fund (1644)	(2 FTE)	(2 FTE)	(2 FTE)
Total Estimated Net Effect on FTE	0 FTE	0 FTE	0 FTE

- 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
Local Government	\$15,156,713	\$15,197,738	\$11,725,531

FISCAL ANALYSIS

ASSUMPTION

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

§§136.055, 144.070, 144.465, 226.540, 226.550, 227.101, 229.222, 301.010, 301.020, 301.030, 301.050, 301.055, 301.070, 301.074, 301.092, 301.093, 301.094, 301.110, 301.130, 301.132, 301.140, 301.142, 301.147, 301.190, 301.443, 301.472, 301.550, 301.560, 301.570, 301.600, 302.170, 302.309, 302.341, 302.733, 302.735, 304.010, 307.350, 307.375, 307.380 & 643.315 - Transportation

§§136.055, 301.130 & 301.147 – Five-Year Motor Vehicle Registration Option

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

Administrative Impact

To implement the proposed legislation the department will be required to:

- Update procedures, forms, and correspondence
- Update systems
- Update associated fee charts, and the Department website
- Update the Dealer Operating Manual
- Update the Missouri Titling Manual
- Send communications to contracted license offices and other contracted stakeholders
- Complete programming and user acceptance testing
- Update the Missouri Transportation Accounting System (MTAS) tables
- Train internal and contract license office staff
- Provide virtual training to License Office staff.
- License Office outreach in License Office News articles

The subsequent registration of said vehicle will require proof of five years of paid personal property taxes.

FY 2027 – Motor Vehicle Bureau

Lead Administrative Support Asst. 75 hrs. @ \$26.44/hr. =\$1,983

Associate Research/Data Analyst 300 hrs. @ \$31.16/hr. =\$9,348

Research/Data Analyst 100 hrs. @ \$37.14/hr. =\$3,714

Administrative Manager 60 hrs. @ \$51.40/hr. =\$3,084

FY 2027 – Systems Analysis & Support

Associate Research/Data Analyst 771 hrs. @ \$31.16/hr. =\$24,024
Research/Data Analyst 193 hrs. @ \$37.14/hr. =\$7,168
Administrative Manager 97 hrs. @ \$51.40/hr. =\$4,986
FY 2027 – Strategy & Communications Office
Associate Research/Data Analyst 400 hrs. @ \$31.16/hr. =\$12,464

Total = \$66,771

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:

Development: 100/hrs. @ \$225/hr. = \$22,250
Testing: 100/hrs. @ \$225/hr. = \$22,250
TOTAL = **\$44,500**

DOR notes OA-ITSD services will be required at a cost of **\$215,732** in FY 2027 (2,054.59 hours x \$105 per hour).

Oversight does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will reflect DOR's FUSION and OA-ITSD costs on the fiscal note.

Revenue Impact

DOR notes, anyone seeking a five-year registration under the proposed language will be required to pay registration fees at five times the normal rate. The Motor Vehicle Bureau estimates that 25% of applicants may wish to register their motor vehicle at the five-year duration. The Motor Vehicle Bureau may see a temporary increase in funds that will average out as these same vehicles will not require registration renewal for five years.

However, it is important to note that registration fees are not refundable or transferable should the vehicle change owners. Due to this, the proposed language will likely result in a net positive of funds to the Motor Vehicle Bureau. It will be impossible to quantify this figure as it relies on too many variables, with the keystone of public interest and expected participation in the program being an unknown.

FY 2023 - 321,400 vehicles 5 model years and under that were registered.
FY 2024 - 325,203 vehicles 5 model years and under that were registered.
FY 2025 - 365,331 vehicles 5 model years and under that were registered.
Average: 337,311

FY 2023 - \$39,635,924.50 total amount of fees paid on vehicles 5 model years and under.
FY 2024 - \$35,862,193.50 total amount of fees paid on vehicles 5 model years and under.
FY 2025 - \$35,612,490.00 total amount of fees paid on vehicles 5 model years and under.
Average: \$37,036,869

FY 2027 estimated impact:

25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
50% of total for 6 effective months: $\$9,259,217.25 * 0.5 = \$4,629,608.63$
Total x 5 for increased fees: $\$4,629,608.63 * 5 = \$23,148,043.15$
Difference: $\$23,148,043.15 - \$4,629,608.63 = \$18,518,434.52$
\$18,518,435 increase in registration funds

FY 2028 estimated impact:

25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
50% of total who began 5 years in FY27: $\$9,259,217.25 * 0.5 = \$4,629,608.63$
Total x 5 for increased fees: $\$4,629,958.63 * 5 = \$23,148,043.15$
Difference: $\$23,148,043.15 - \$4,629,608.63 = \$18,518,434.52$
\$18,518,435 increase in registration funds

FY 2029 estimated impact:

First 6 months of FY29
25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
\$9,259,217 increase in revenue
Last 6 months of FY29
25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
50% to account for 6 months: $\$9,259,217.25 * 0.5 = \$4,629,608.63$
\$4,629,609 net increase in revenue

FY 2030 estimated impact:

25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
\$9,259,217 decrease in revenue

FY 2031 estimated impact:

25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
\$9,259,217 decrease in revenue

FY 2032 estimated impact:

25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
\$9,259,217 decrease in revenue

FY 2033 estimated impact:

25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$
\$9,259,217 decrease in revenue

FY 2034 estimated impact:

First 6 months of FY34

25% of estimated funds collected: $\$37,036,869 * 0.25 = \$9,259,217.25$

50% to account for 6 months: $\$9,259,217.25 * 0.5 = \$4,629,608.63$

\$4,629,609 decrease in revenue

It is projected that by January 2035, the financial impact will be revenue neutral, resulting in no significant net gain or loss to the state, as revenues and expenditures are expected to balance over a seven-and-a-half-year period.

Following the allowed five-year registration period, up to five years of personal property tax will need to be verified prior to the next registration or renewal. This change will impact county collectors, who will be required to maintain records for more than the current two-year period and provide the Department of Revenue's system with up to five years of proof of paid personal property tax. This may also result in loss of funds to city and counties.

Oversight assumes there will be an increase in revenue in the first two years after implementation of this proposal if vehicle owners (of vehicles less than five years old) choose the five-year registration option. Oversight will reflect an increase in revenue for fiscal years 2027 and 2028. Oversight assumes the revenue will then even out in FY 2029 as registrations will decrease due to vehicles utilizing the five-year registration option in 2027 and 2028.

Based on DOR's estimates, there will be a net increase of revenue in FY 2029 (first six months of FY 2029 revenue of \$9,259,217 followed by a decrease for the last six months of FY 2029 revenue of \$4,629,609).

Oversight notes the revenue increase/decrease impacts the Highway Fund (75%), Cities (15%) and Counties (10%).

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** assume the following regarding this proposal:

The Patrol assumes that approximately 25% of those eligible for the 5-year registration option proposed in the bill would choose this option. As such, the Patrol determines the potential decrease in motor vehicle safety inspections performed statewide, as a result of the provisions of the bill, is estimated to be 6,250 inspections.

The state of Missouri receives \$1.50 from each safety inspection performed. Of that amount, \$1.00 is deposited into the Highway Fund (0644) and \$0.50 to the Highway Patrol Inspection Fund (0297). The potential reduction of an estimated 6,250 safety inspections could result in a negative fiscal impact to the Highway Fund of \$6,250 and \$3,125 to the Highway Patrol Inspection Fund per year.

Oversight is unable to determine how many vehicles will no longer require safety inspections as a result of this proposal; however, Oversight assumes the number will be minimal as current statute does not require a safety inspection if the vehicle is less than ten years old and has less than 150,000 miles. Oversight will reflect an “Unknown, but less than \$250,000” fiscal impact to the Highway Fund and the Highway Patrol Inspection Fund starting in FY 2029.

Officials from the **Missouri Department of Transportation (MoDOT)** defer to DOR for the potential fiscal impact of this proposal.

§144.070 – Vehicle Sales Tax for Out-of-State Residents

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

Administrative Impact

To implement the proposed language the Department will be required to:

- Update procedures, forms, training material, and the department’s website
- Create correspondence for Missouri dealers and the public
- Train current staff

Revenue Impact

Over the last two fiscal years, the department has seen an average of 347,352 motor vehicle sales by Missouri motor vehicle dealers to a purchaser with an out of state address. Due to various factors that could reduce/impact the sales tax they would have paid to the Missouri Dealer, the Department is reflecting an unknown but potentially significant impact to Motor Vehicle Sales Tax Collection.

In response to the previous version, DOR estimated an increase of \$465,347,878 to local taxing jurisdictions, and \$418,318,039 in state motor vehicle sales taxes.

Oversight assumes if this impact was reduced due to various factors by 40%, the revenue gain is estimated at \$186,139,151 to local taxing entities and \$167,327,216 in state motor vehicle sales tax.

Oversight will reflect an “Unknown” increase in revenue as provided by DOR and assumes this could be a significant revenue gain.

Oversight notes motor vehicle sales tax is distributed as follows:

State Road Bond Fund (1319)	1.500%
School District Trust Fund (1688)	0.500%

Conservation Commission Fund (1609)	0.125%
Parks, Soil and Water Fund (1613 & 1614)	0.100%
Funds Dedicated for Highway & Transportation Use*	2.000%

Funds Dedicated for Highway & Transportation Use are further broken down into the following:

State Road Fund (1320)	75%
Cities	15%
Counties	10%

§§144.465, 301.010, 301.050, 301.092, 301.093 & 301.094 – Amnesty/Motor Vehicle Registration

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

Administrative Impact

To implement the proposed changes, the Department of Revenue would be required to:

- Update desk procedures, public correspondence, and website information
- Create new procedures and training guides
- Train current staff
- Potential modifications to FUSION edits for driver license residence address verification

The department will continue its current non-automated system review for account audits, including the assessment of additional fines. There will be no impact to current systems.

The amnesty period will result in an administrative impact to the department. DOR anticipates being able to absorb this impact. If the impact is more significant than anticipated, FTE or funding will be requested through the appropriations process.

The proposed legislation may cause an increase in telephone inquiries, emails, and mailed-in correspondence. If the workload is greater than anticipated, additional FTE may be requested through the appropriation 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. Officials from the DOR assume the proposal will have no fiscal impact on their organization.

Revenue Impact

DOR notes the proposal will have an unknown but potentially significant positive impact on motor vehicle sales tax collections that likely would exceed \$2 million. The amnesty period

should increase the additional amount of motor vehicle sales tax collected, but there is not a way to determine an amount.

Oversight does not have information to the contrary; however, **Oversight** cannot determine how many Missouri residents register their motor vehicles in a state other than Missouri. Therefore, **Oversight** will reflect an Unknown increase in revenue due to the potential increase in the collection of motor vehicle sales tax from those that are currently registering their vehicle in another state as a Missouri resident.

Oversight notes this proposal provides that the DOR shall suspend the license of any Missouri resident who fails to comply with the provisions of this proposal until all taxes and fees or titling and registration are paid in full along with a \$500 penalty.

In addition, a Missouri resident who has been found to willfully make a false statement in regard to the purchase of a motor vehicle and willfully attempts to evade paying taxes and fees for the purchase of a motor vehicle shall be assessed a fine equal to 75% of the amount of the unpaid fees and taxes.

Oversight notes motor vehicle sales tax is distributed as follows:

State Road Bond Fund (1319)	1.500%
School District Trust Fund (1688)	0.500%
Conservation Commission Fund (1609)	0.125%
Parks, Soil and Water Fund (1613 & 1614)	0.100%
Funds Dedicated for Highway & Transportation Use*	2.000%

Funds Dedicated for Highway & Transportation Use are further broken down into the following:

State Road Fund (1320)	75%
Cities	15%
Counties	10%

Oversight will assume the Unknown increase in revenue that will exceed \$250,000 as indicated by DOR.

Officials from the **Missouri Highway Patrol** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, **Oversight** will reflect a zero impact in the fiscal note for this agency.

Officials from the **Missouri Department of Transportation** defer to DOR for the potential fiscal impact of this proposal.

§§226.540 & 226.550 – Outdoor Advertising

Officials from the **Missouri Department of Transportation** assume this proposal would waive the permit fee and biennial fee for landowners, provided the landowner is the permit holder and owns both the land the sign is located on and the business advertised on the sign. This proposal is estimated to have a negative fiscal impact to MoDOT of \$2,500 annually.

Language added under §226.540(4) may increase new permit fees and biennial inspection fees collected in un-zoned areas by \$3,750 annually. In 2025, there were 15 billboard permits issued in un-zoned areas along a primary route. MoDOT estimates that language under §226.540(4) would allow an additional 15 permits to be issued in un-zoned areas along a primary route on the opposite side of the travel way.

15 billboard permits x \$200 new permit fee = \$3,000

Biennial inspection fee of \$100 x 15 billboard permits issued / 2 = \$750

\$3,000 + \$750 = \$3,750 annually

Language added under §226.550.1, 2, and 4 may decrease the biennial inspection fees for landowners by \$6,250 annually.

There are 125 (estimated) landowners that are also the permit holder and advertiser x \$100 biennial inspection fee / 2 = \$6,250.

Cumulative impact is \$6,250 - \$3,750 = \$2,500

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

§227.101 – Contracts for Work on the State Highway System

Officials from the **Missouri Department of Transportation** state MoDOT does not publish the Engineer's Estimate to ensure best competition between bidders and to receive the most work for the best price.

Publishing the Engineer's Estimate before a contract is awarded would allow contractors to more easily decipher the floor for future projects, hindering MoDOT's ability to get the most competitive bids for highway work. MoDOT expects this proposal to increase construction costs by at least 1% of the total program, which equates to a negative impact of \$15,000,000 to the State Road Fund annually.

Oversight assumes the fiscal impact estimated by MoDOT would be a potential indirect impact; therefore, Oversight will not reflect a direct fiscal impact on the fiscal note.

§§229.130, 229.160, 229.210, 229.220, 229.222, 229.270, 229.420, 229.430, 229.440 & 229.450
– Transportation Provisions

Officials from **Missouri Department of Transportation, Department of Public Safety - Missouri Highway Patrol and Department of Revenue** the each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Officials from the **City of Kansas City** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight notes the following misdemeanor convictions for violations of §229.210 (driving on a bridge/highway under construction):

Fiscal Year	Number of Misdemeanor Convictions (§229.210)
2025	15
2024	5
2023	22
2022	19
2021	5
2020	20

Oversight notes there is a fine of not less than \$500 and not more than \$1,000 for violations of §229.210. Oversight notes the proposal is eliminating the misdemeanor charge; therefore, fine revenue will decrease. However, Oversight notes the number of convictions have been minimal; therefore, Oversight will not reflect the decrease in fine revenue on the fiscal note.

§§301.055 & 301.070 – Flat Registration Fees

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

Administrative Impact

To implement the proposed language the Department will be required to:

- Update procedures, forms, charts, training material, and the department’s website

- Create correspondence materials to inform the public
- Train current staff

Revenue Impact

Eliminating the current horsepower calculation chart for passenger vehicles in favor of a flat fee will result in an increase in collected registration funds for any passenger vehicle with a taxable horsepower (HP) of 35 or less. However, registration funds collected on passenger vehicles of 36 HP or greater will be reduced. As vehicles of 35 HP or less represent the majority of vehicle registrations, the department projects an increase in collected registration funds for passenger vehicles of \$5,236,216 annually. The following table calculates the impacts across all horsepower classes, with the \$0.25 railroad crossing fee excluded from calculation.

Horsepower (HP)	Registered by HP	Current Annual Registration	Proposed Annual Registration	Difference
Under 12 HP	49,767	\$895,806	\$1,231,733	\$335,927
12-23 HP/Electric/LSV	2,044,999	\$42,944,979	\$50,613,725	\$7,668,746
24-35 HP	1,374,814	\$32,995,536	\$34,026,647	\$1,031,111
36-47 HP	235,362	\$7,766,946	\$5,825,210	(\$1,941,737)
48-59 HP	123,451	\$4,814,589	\$3,055,412	(\$1,759,177)
60-71 HP	3,805	\$171,225	\$94,174	(\$77,051)
72+ HP	823	\$41,973	\$20,369	(\$21,604)
Total	3,833,021	\$89,631,054	\$94,867,270	\$5,236,215

Current annual registration fees for a motorcycle are \$8.50 per year, and motortricycles and autocycles have an annual registration fee of \$10; both figures exclude the railroad crossing fee. The proposed language will see a reduction in collected fees for motortricycles and autocycles, but this loss will be offset by the increase in annual motorcycle registration fees, resulting in an increase of \$54,283 annually.

Body Style	Registered	Current Annual Registration	Proposed Annual Registrations	Difference
Motorcycle	43,792	\$372,232	\$426,972	\$54,740
Motortricycle	1,701	\$17,010	\$16,585	(\$425)
Autocycle	127	\$1,270	\$1,238	(\$32)
Total	45,620	\$390,512	\$444,795	\$54,283

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

§§301.074, 301.132, 301.190, 301.443, 307.350, 307.375, 307.380 & 643.315 – Motor Vehicle Safety Inspections

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

Administrative Impact

To implement the proposed provisions of this bill the MVB would be required to:

- Update procedures, manuals, Department website, and correspondence letters
- Update systems to remove safety inspection requirements for most vehicle registrations
- Update systems to account for changes in conditional exemption from emissions inspections
- Send communications to stakeholders as applicable

FY 2027 – Motor Vehicle Bureau

Associate Research/Data Analyst 246 hrs. @ \$31.16/hr. =\$7,665

Research/Data Analyst 67 hrs. @ \$37.14/hr. =\$2,488

Administrative Manager 34 hrs. @ \$51.40/hr. =\$1,748

FY 2027 – Systems Analysis & Support

Associate Research/Data Analyst 611 hrs. @ \$31.16/hr. =\$19,039

Research/Data Analyst 153 hrs. @ \$37.14/hr. =\$5,682

Administrative Manager 77 hrs. @ \$51.40/hr. =\$3,958

FY 2027 – Strategy & Communications Office

Associate Research/Data Analyst 180 hrs. @ \$31.16/hr. =\$5,609

Research/Data Analyst 80 hrs. @ \$37.14/hr. =\$2,971

Total = \$49,160

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: 160 hours @ \$225/hr. =\$36,000

Testing: 160 hours @ \$225/hr. =\$36,000

Total = **\$72,000**

DOR notes OA-ITSD services will be required at a cost of **\$76,250** in FY 2027 (726.19 hours x \$105 per hour).

Note that this would require additional direct access functionality so that MSHP can notate in FUSION when a vehicle is damaged badly enough in an accident that it needs the safety inspection.

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle and Driver Licensing system environment. The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the general assembly in 2020 (Senate Bill 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

Oversight does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will reflect DOR's OA-ITSD and FUSION costs on the fiscal note.

Officials from the **MHP** assume current statutes fund the administration of safety inspections through the charging of a fee of \$1.50 to purchase an inspection sticker/authority to apply to a vehicle which passed the inspection.

The deposit of fees collected is broken up with \$1.00 going to Highway Fund (1644) and \$.50 going to Highway Patrol Inspection Fund (1297).

The estimated number of safety inspections annually is 1,750,000.

$1,750,000 \times \$1.00 = \$1,750,000$ - Highway Fund (1644)
 $1,750,000 \times \$0.50 = \$875,000$ - Highway Patrol Inspection Fund (1297)

If this legislation is enacted, there would be a one-time cost of fully refunding safety inspection stations for their inventory of safety inspection sticker/authorities. This is calculated by estimating the statewide inventory of stickers/authorities and multiplying by the \$1.50 that would be reimbursed. The statewide inventory in stations at a given time is estimated to be 15% of their annual supply.

In Section 8.185, the Patrol currently has spending authority for \$100,000 for the refund of unused stickers. If enacted, the Patrol would need additional spending authority for these refunds. The Patrol assumes this would be an expenditure for only one fiscal year.

$1,750,000 \times .15 (15\%) \times \$1.50 = \text{Total } \$393,750$ - Highway Fund (1644)

MHP also notes savings associated with 2 FTE being no longer needed.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by MHP.

Officials from the **Department of Natural Resources (DNR)** assume the elimination of the safety inspection for all vehicles other than commercial vehicles at §307.350.1 would require a conforming amendment to the state rule for emission inspections in the St. Louis area (10 CSR 10-5.381). The department estimates the time required for the rulemaking would be 300 hours for an Environmental Program Analyst to draft the rule amendment and take it through the administrative rulemaking process. This would be a one-time cost to department of \$10,644

(35.48/per hour - \$73,788 annually (\$67,080 base pay plus \$6,708 time of service pay)), (fringe and indirect not included). The department anticipates being able to absorb these costs. However, until the FY 2027 budget is final, the department cannot identify specific funding sources. Absorbing these costs would divert resources from other priorities and core assignments of department team members.

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

Officials from the **Missouri Department of Transportation** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§301.110 – Alternative Fuel Decals

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

Administrative Impact

To implement the proposed language the Department will be required to:

- Update procedures, forms, training material, and the department’s website
- Train current staff

Revenue Impact

There will be a revenue impact from this bill due to decreased material costs by eliminating the production of alternative fuel decals. Production of an alternative fuel decal is a \$0.42 in material costs to the department.

Below represents the number of alternative fuel decals the Motor Vehicle Bureau has sold over the last three fiscal years:

FY 2023 17,202
FY 2024 25,101
FY 2025 32,864

These figures show a steady increase in alternative fuel decal sales each year. Based on the last three fiscal years, there is an average of 25,056 special fuel decals issued.

Revenue saving: $25,056 * 0.42 = \$10,524$

Total: \$10,524 annual increase to the highway, city and county funds.

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

§301.130 – License Plate Covers

Officials from the **Missouri Highway Patrol, Missouri Department of Transportation and Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

§301.140 -Vehicle Registration Fee Transfer Adjustment

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

Administrative Impact

To implement the proposed language the Department will be required to:

- Update procedures, forms, training material, and the department’s website
- Train current staff

Revenue Impact

Currently, the Motor Vehicle Bureau processes approximately 212,133 license plate transfers each year. With an increase in transfer fees from \$2 to \$10 the department can expect to see a \$1,697,064 annual increase in funds collected.

Funds as currently collected: $212,133 * \$2 = \$424,266$
Fund collection as proposed: $212,133 * \$10 = \$2,121,330$
Difference: $\$2,121,330 - \$424,266 = \$1,697,064$

Total: \$1,697,064 annual increase to highway, city and county funds.

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

§301.140 – Interim Plates

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

Revenue Impact

Reports indicate that approximately 993,923 new vehicles are titled annually in Missouri. As indicated in the notes for §144.070.10(2) proposed language, approximately 347,352 motor vehicle sales are to out-of-state residents annually.

Interim plates will be replacing the current system of temporary permits. Unlike temporary permits, which were purchased by customers for \$5, there will be no cost to the customer for interim plates.

Additionally, the material costs for producing a temporary permit which were previously incurred by Missouri motor vehicle dealers and contracted license offices, calculated to \$0.94 per permit, will now be absorbed by the Department of Revenue.

Estimated loss due to materials cost: $993,923 * (\$0.94) = (\$934,288)$

Total: $(\$934,288)$ annual loss to highway, city and county funds.

Out-of-state residents that purchase a vehicle in Missouri will be required to obtain a 15-day in-transit plate at a cost of \$10. This item will be distributed by the department and will be a paper printout with an estimated low material cost. It is important to note that distribution for this collected fee is not addressed in the proposed language of the bill and is unknown at this time.

Projected sale of in-transit plates: $347,352 * \$10 = \$3,473,520$ annual increase to highway, city and county funds.

$\$3,473,520 + (\$934,288) = \$2,539,232$ projected annual increase to highway, city and county funds.

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

§301.140 – Converting Temporary Additional Plate to Permanent Third Plate

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

Administrative Impact

To implement the proposed language the Department will be required to:

- Update procedures, forms, training material, and the department's website
- Train current staff

FY 2027 – Motor Vehicle Bureau

Associate Research/Data Analyst 20 hrs. @ \$31.16/hr. =\$623
Research/Data Analyst 10 hrs. @ \$37.14/hr. =\$371
Administrative Manager 5 hrs. @ \$51.40/hr. =\$257

FY 2027 – Strategy & Communications Office

Associate Research/Data Analyst 20 hrs. @ \$31.16/hr. =\$623
Research/Data Analyst 10 hrs. @ \$37.14/hr. =\$371

Total = \$2,245

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.

§301.142 – Disabled Placards

Officials from the **Department of Revenue** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

§301.472 – Kansas City Chiefs Special License Plates

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

Administrative Impact

To implement the proposed legislation, the Department will be required to:

- Update procedures, manuals, and Department website
- Send communications to stakeholders
- Update legacy system(s)
- Train staff

FY 2027 – Motor Vehicle Bureau

Associate Research/Data Analyst 50 hrs. @ \$31.16/hr. =\$1,558
Research/Data Analyst 25 hrs. @ \$37.14/hr. =\$929
Administrative Manager 10 hrs. @ \$51.40/hr. =\$514

FY 2027 – Systems Analysis & Support

Associate Research/Data Analyst 80 hrs. @ \$31.16/hr. =\$2,493
Research/Data Analyst 20 hrs. @ \$37.14/hr. =\$743
Administrative Manager 10 hrs. @ \$51.40/hr. =\$514

FY 2027 – Strategy & Communications Office

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

Research/Data Analyst 20 hrs. @ \$37.14/hr. =\$743

Total = \$8,740

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 the implementation of this bill will not require any substantial modifications to the department's modernized system, FUSION.

DOR notes OA-ITSD services will be required at a cost of **\$22,317** in FY 2027 (212.54 hours x \$105 per hour).

The fiscal impact estimated above is based on changes in the current Department's Motor Vehicle system environment.

The implementation of this legislation will be coordinated with the integration of the Department's Motor Vehicle and Driver Licensing software system approved and passed by the General Assembly in 2020 (Senate Bill 176). To avoid duplicative technology development and associated costs to the state, it is recommended a delayed effective date be added to this bill to correlate with the installation of the new system.

Oversight does not have any information to the contrary in regards to DOR's assumptions; therefore, Oversight will reflect DOR's OA-ITSD costs on the fiscal note.

Revenue Impact

The proposed legislation repeals Section 301.472, RSMo, and terminates the agreement allowing issuance of Kansas City Chiefs specialty license plates effective August 28, 2026. The department currently has 670 Kansas City Chiefs plates actively registered, each requiring an annual \$15 reservation/personalization fee.

The bill will result in an estimated annual loss of \$10,050 in General Revenue starting in FY 2027, as no new Kansas City Chiefs plates will be issued or renewed after August 28, 2026.

Oversight assumes any revenue loss from no longer allowing Kansas City Chiefs special license plates will be minimal; therefore, Oversight will not reflect a fiscal impact.

§§301.550, 301.560 & 301.570 – Dealer Provisions

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

Administrative Impact

Updates the minimum number of sales required for a dealer license from eight to twelve sales per calendar year.

To implement the proposed legislation the department will be required to:

- Update procedures, forms, training manual, and correspondence
- Update the Department website
- Update the Dealer Operating Manual

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the 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 the dealer provisions of this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

§301.560 – Dealer Plate Fees

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

Administrative Impact

To implement the proposed language the Department will be required to:

- Update procedures, forms, training material, and the department's website
- Train current staff

Revenue Impact

Currently, the department produces new dealer license number plates for Missouri motor vehicle dealers each year. Dealers pay \$50 for the first set of plates, and additional sets can be requested for \$10.50 each. Current costs to the department are \$4.56 per flat plate. There will be a shift of revenue funds from highway, city, and counties to the Motor Vehicle Commission Fund of \$465,115.50.

Annual estimated revenue under current system for FY 2025:

Master plates 3,000 x \$50 = \$150,000
Additional plates 30,011 x \$10.50 = \$315,115.50
Total: 33,011 = \$465,115.50

Oversight does not have information to the contrary and therefore, Oversight will reflect an increase of \$465,116 to the Motor Vehicle Commission Fund and a corresponding decrease to the Highway Fund, Cities, and Counties as provided by DOR.

DOR notes:

Cost of first plate versus material costs: $\$50.00 - \$4.56 = \$45.44$ per plate
Cost of each additional plate: $\$10.50 - \$4.56 = \$5.94$ per plate

Proposed language would allow the department to issue tabs for dealer plates as opposed to printing new plates every two years. Costs associated with tab issuance would be the same as current plate fees (\$50 cost to dealers or \$10.50 for additional plates), resulting in higher profit margin due to differences in material cost (\$0.42) for tabs:

Cost of tabs versus material costs: $\$50 - \$0.42 = \$49.58$ profit per registration
Cost of each additional tab: $\$10.50 - \$0.42 = \$10.08$ profit per registration

Difference in cost (tab vs plate): $\$49.58 - \$45.44 = \$4.14$ profit difference per registration
Difference (tab vs additional): $\$10.50 - 5.94 = \4.56 each

Oversight assumes any profit from issuing tabs instead of plates will be minimal; therefore, Oversight will not reflect a fiscal impact.

§301.600 – Motor Vehicle Liens

Oversight notes this section provides that a notice of lien shall contain the full legal name as pursuant to §301.020.2. Oversight assumes there will be no fiscal impact for this section.

§302.170 – REAL ID Provisions

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

Administrative Impact

Proposed changes will require:

- Complete project intake documents and define workplans
- Work with vendor to define system changes and submit change documentation
- Vendor complete driver license system programming to collect and retain electronic images of source documents submitted and remove 10yr retention limitation for REAL ID applications.
- Analyst(s) complete user acceptance testing

- Update and obtain approvals for procedures, forms, and website changes
- Update the Missouri Driver Guide (on-line and printed versions)
- Develop training materials and conduct training for internal staff, contracted staff, and external agency partners as needed
- Update DHS REAL ID certification documentation as applicable to identify program updates

FUSION Impact

Implementation Consultant 80 hrs. @ \$225 per hr. = **\$18,000**

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

§§302.309 & 302.341 – Driver’s Licenses Provisions

Officials from the **Department of Revenue** 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
77,281 FACT compliances processed by the department

FY 2016: 60,460 FACT suspensions processed by the department
44,651 FACT compliances processed by the department

FY 2017: 41,405 FACT suspensions processed by the department
28,544 FACT compliances processed by the department

FY 2018: 38,249 FACT suspensions processed by the department
27,975 FACT compliances processed by the department

FY 2019: 39,108 FACT suspensions processed by the department
25,562 FACT compliances processed by the department

FY 2020: 27,640 FACT suspensions processed by the department
29,692 FACT compliances processed by the department

FY 2021: 16,165 FACT suspensions processed by the department
39,176 FACT compliances processed by the department

FY 2022: 18,580 FACT suspensions processed by the department
20,113 FACT compliances processed by the department

FY 2023: 14,893 FACT suspensions processed by the department

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
/ 240 Workdays per year
51 Additional suspension notices received daily
/ 248 # of documents a CSR can process daily
0.21 .21 FTE needed to process additional suspensions

17,814 Additional FACT compliances received annually
/ 240 Workdays per year
74 Additional compliance notices received daily
/ 360 # 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	2 FTE 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 x \$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.

	Fee Amount
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.

§§302.733 & 302.735 – Commercial Driver's Licenses

In response to similar legislation, HB 2741 (2026), officials from the **Office of the State Public Defender (SPD)** stated per the National Public Defense Workload Study, the new charges contemplated by the changes to Sections 302.733 and 302.735, would take approximately fourteen hours of SPD work for reasonably effective representation. If one hundred cases were filed under this section in a fiscal year, representation would result in a need for an additional attorney. Because the number of cases that will be filed under this statute 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. However, if the charge was classified as a class D misdemeanor no jail time would be authorized and the cases would not qualify for SPD representation.

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 **Department of Revenue, Department of Corrections, Office of the State Courts Administrator, Missouri Department of Transportation, Department of Public Safety-Missouri Highway Patrol, Phelps County Sheriff, Kansas City Police Department, Branson Police Department** and **St. Louis County Police Department** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight notes a violation of the provisions of this proposal results in a misdemeanor or felony charge which carries a fine in addition to any individual county/municipal fees and court costs. The fine revenue for the ticket goes to local school funds and court costs go to various state and local funds. Oversight assumes there will be some (less than \$250,000) amount of 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.

	Fee Amount
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

§304.010 – Speed Limit on Certain Roads

Officials from the **Missouri Department of Transportation (MoDOT)** state there are 512 rural interstate and freeway speed limit signs. Each location including materials, installation, and labor is estimated to cost \$750, for a total of \$384,000.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by MoDOT.

Officials from the **Department of Public Safety-Missouri Highway Patrol** and **Department of Revenue** 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.

Responses regarding the proposed legislation as a whole

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local political subdivisions, county clerks, and local law enforcement agencies 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 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – DOR (§§136.055, 301.130 & 301.147) OA-ITSD services p.5</u>	(\$215,732)	\$0	\$0
<u>Cost – DOR (§§136.055, 301.130 & 301.147) FUSION p.5</u>	(\$44,500)	\$0	\$0
<u>Cost – DOR (§§301.074 – 643.315) OA-ITSD p.14</u>	(\$76,250)	\$0	\$0
<u>Cost – DOR (§§301.074 – 643.315) FUSION p.14</u>	(\$72,000)	\$0	\$0
<u>Cost (§301.472) – DOR – OA-ITSD p.20</u>	(\$22,317)	\$0	\$0
<u>Cost – DOR (§302.170) FUSION p.23</u>	(\$18,000)	\$0	\$0
<u>Cost – DOR (§§302.309 & 302.341) p.26</u>			
Personnel Service	(\$77,792)	(\$95,217)	(\$97,122)
Fringe Benefits	(\$58,515)	(\$70,968)	(\$71,734)
Expense & Equipment	(\$24,636)	\$0	\$0
<u>Total Costs - DOR</u>	<u>(\$160,943)</u>	<u>(\$166,185)</u>	<u>(\$168,856)</u>
FTE Change - DOR	2 FTE	2 FTE	2 FTE
<u>Cost – DOR (§§302.309 & 302.341) FUSION impact p.24</u>	(\$22,500)	\$0	\$0
<u>Cost – DOR (§§302.309 & 302.341) Mailing costs p.27</u>	(\$12,154)	(\$24,307)	(\$24,307)
<u>Cost – OSCA (§§302.309 & 302.341) Potential increased court costs p.28-29</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
ESTIMATED NET EFFECT ON GENERAL REVENUE	Could exceed <u>(\$644,396)</u>	Could exceed <u>(\$190,492)</u>	Could exceed <u>(\$193,163)</u>
Estimated Net FTE Change to General Revenue	2 FTE	2 FTE	2 FTE
CONSERVATION COMMISSION FUND (1609)			
<u>Revenue Gain</u> – (§144.070) Increase in motor vehicle sales tax for out-of-state purchasers p.8	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON THE CONSERVATION COMMISSION FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
HIGHWAY FUND (1644)*			
<u>Revenue Gain</u> – MHP (§§136.055, 301.130 & 301.147) Increase and then potentially decrease in registration fees due to a five-year registration option p.5-6	\$13,888,826	\$13,888,826	\$3,472,207
<u>Revenue Gain</u> – (§301.050) Increase in late fees for motor vehicle registration p.9-10	\$24,661,980	\$24,661,980	\$24,661,980
<u>Revenue Gain</u> – (§§301.055 & 301.070) Flat motor vehicle registration fees p.13	\$3,927,161	\$3,927,161	\$3,927,161
<u>Revenue Gain</u> – (§§301.055 & 301.070) Flat motorcycle, motortricycle and autocycle registration fees p.13	\$40,712	\$40,712	\$40,712
<u>Revenue Gain</u> – (§301.140) Increase in transfer plate fees p.17	\$1,272,798	\$1,272,798	\$1,272,798

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<u>Revenue Gain</u> – (§301.140) In-transit plate fees p.17	\$2,605,140	\$2,605,140	\$2,605,140
<u>Revenue Gain</u> – (75%) (§§302.309 & 302.341) Increase in reinstatement fees p.27	\$123,075	\$246,150	\$246,150
<u>Savings</u> – MHP (§§301.074 – 643.315) 2 FTE no longer needed p.15			
Personal Service	\$92,224	\$112,882	\$115,140
Fringe Benefits	\$81,240	\$99,438	\$101,427
<u>Total Savings</u> – MHP	<u>\$173,464</u>	<u>\$212,320</u>	<u>\$216,567</u>
FTE Change – MHP	(2 FTE)	(2 FTE)	(2 FTE)
<u>Revenue Loss</u> – MHP (§§301.074 – 643.315) Decrease in motor vehicle inspections p.15	(\$875,000)	(\$1,750,000)	(\$1,750,000)
<u>Revenue Loss</u> – MHP (§§136.055, 301.130 & 301.147) Decrease in the number of inspections p.7-8	\$0	\$0	(Unknown, Less than \$250,000)
<u>Revenue Loss</u> – (§301.140) Interim plates provided by DOR p.18	(\$700,716)	(\$700,716)	(\$700,716)
<u>Cost</u> – MHP (§§301.074 – 643.315) Reimbursement of inspection stickers p.15	(\$393,750)	\$0	\$0
<u>Revenue Loss</u> – (§301.560) Dealer plate fees deposited into the Motor Vehicle Commission Fund p.21-22	(\$348,837)	(\$348,837)	(\$348,837)
ESTIMATED NET EFFECT ON THE HIGHWAY FUND (1644)	<u>\$44,374,853</u>	<u>\$44,055,534</u>	<u>Less than \$33,643,162</u>
Estimated Net FTE Change to the Highway Fund	(2 FTE)	(2 FTE)	(2 FTE)

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
HIGHWAY PATROL INSPECTION FUND (1297)*			
<u>Revenue Loss</u> – MHP (§§136.055, 301.130 & 301.147) Decrease in the number of inspections p.7-8	\$0	\$0	(Unknown, Less than \$250,000)
<u>Revenue Loss</u> – MHP (§§301.074 – 643.315) Decrease in motor vehicle inspections p.15	(\$437,500)	(\$875,000)	(\$875,000)
ESTIMATED NET EFFECT ON THE HIGHWAY PATROL INSPECTION FUND (1297)	(\$437,500)	(\$875,000)	Less than (\$875,000)
MOTOR VEHICLE COMMISSION FUND (1588)			
<u>Revenue Gain</u> – (§301.560) Dealer plate fees deposited into the Motor Vehicle Commission Fund p.21-22	\$465,116	\$465,116	\$465,116
ESTIMATED NET EFFECT ON THE MOTOR VEHICLE COMMISSION FUND	\$465,116	\$465,116	\$465,116
PARKS, SOIL AND WATER FUND (1613 & 1614)			
<u>Revenue Gain</u> – (§144.070) Increase in motor vehicle sales tax for out-of-state purchasers p.8	Unknown	Unknown	Unknown
ESTIMATED NET EFFECT ON THE PARKS, SOIL AND WATER FUND	Unknown	Unknown	Unknown

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
SCHOOL DISTRICT TRUST FUND (1688)			
<u>Revenue Gain</u> – (\$144.070) Increase in motor vehicle sales tax for out-of-state purchasers p.8	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON THE SCHOOL DISTRICT TRUST FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
STATE ROAD BOND FUND (1319)			
<u>Revenue Gain</u> – (\$144.070) Increase in motor vehicle sales tax for out-of-state purchasers p.8	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON THE STATE ROAD BOND FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
STATE ROAD FUND (1320)			
<u>Revenue Gain</u> – (\$144.070) Increase in motor vehicle sales tax for out-of-state purchasers p.8	Unknown	Unknown	Unknown
<u>Cost</u> – MoDOT (§304.010) Cost of signs to update speed limit p.30	<u>(\$384,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	<u>Less than (\$384,000)</u>	<u>Unknown</u>	<u>Unknown</u>

*It is unknown how many vehicle owners will request to do the five-year vehicle registration option.

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS*			
<u>Revenue Gain</u> – (Cities 15%) (§§136.055, 301.130 & 301.147) Increase and then potential decrease in registration fees due to a five-year registration option p.5-6	\$2,777,765	\$2,777,765	\$694,441
<u>Revenue Gain</u> – (Counties 10%) (§136.055, §301.130 & 301.147) Increase and then potential decrease in registration fees due to a five-year registration option p.5-6	\$1,851,844	\$1,851,844	\$462,961
<u>Revenue Gain</u> – Cities (§301.050) 15% Increase in late fees for motor vehicle registration p.9-10	\$4,932,396	\$4,932,396	\$4,932,396
<u>Revenue Gain</u> – Counties 10 % (§301.050) Increase in late fees for motor vehicle registration p.9-10	\$3,288,264	\$3,288,264	\$3,288,264
<u>Revenue Gain</u> – Cities 15% (§§301.055 & 301.070) Flat motor vehicle registration fees p.13	\$785,432	\$785,432	\$785,432
<u>Revenue Gain</u> – Counties 10% (§§301.055 & 301.070) Flat motor vehicle registration fees p.13	\$523,622	\$523,622	\$523,622
<u>Revenue Gain</u> – Cities 15% (§§301.055 & 301.070) Flat motorcycle, motortricycle and autocycle registration fees p.13	\$8,142	\$8,142	\$8,142
<u>Revenue Gain</u> – Counties 10% (§§301.055 & 301.070) Flat motorcycle, motortricycle and autocycle registration fees p.13	\$5,428	\$5,428	\$5,428

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
<u>Revenue Gain</u> – Cities 15% (§301.140) Increase in transfer plate fees p.17	\$254,560	\$254,560	\$254,560
<u>Revenue Gain</u> – Counties 10% (§301.140) Increase in transfer plate fees p.17	\$169,706	\$169,706	\$169,706
<u>Revenue Gain</u> – Cities 15% (§301.140) In-transit plate fees p.17	\$521,028	\$521,028	\$521,028
<u>Revenue Gain</u> – Counties 10%(§301.140) In-transit plate fees p.17	\$347,352	\$347,352	\$347,352
<u>Revenue Gain</u> (Cities 15%) (§§302.309 & 302.341) Increase due to increase in reinstatement fees p.27	\$24,615	\$49,230	\$49,230
<u>Revenue Gain</u> – (Counties 10%) (§§302.309 & 302.341) Increase due to increase in reinstatement fees p.27	\$16,410	\$32,820	\$32,820
<u>Revenue Loss</u> – Cities 15% (§301.140) Interim plates provided by DOR p.18	(\$140,143)	(\$140,143)	(\$140,143)
<u>Revenue Loss</u> – Counties 10% (§301.140) Interim plates provided by DOR p.18	(\$93,429)	(\$93,429)	(\$93,429)
<u>Revenue Loss</u> – Cities 15% (§301.560) Dealer plate fees deposited into the Motor Vehicle Commission Fund p.21- 22	(\$69,767)	(\$69,767)	(\$69,767)
<u>Revenue Loss</u> – Counties 10% (§301.560) Dealer plate fees deposited into the Motor Vehicle Commission Fund p.21-22	(\$46,512)	(\$46,512)	(\$46,512)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$15,156,713</u>	<u>\$15,197,738</u>	<u>\$11,725,531</u>

*It is unknown how many vehicle owners will request to do the five-year vehicle registration option.

FISCAL IMPACT – Small Business

Small businesses that provide safety and emissions inspections and small motor vehicle dealers could be impacted as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions relating to transportation.

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

Missouri Department of Transportation
Department of Revenue
Department of Public Safety - Missouri Highway Patrol
City of Kansas City
Phelps County Sheriff
Kansas City Police Department
St. Louis County Police Department
Branson Police Department
Department of Elementary and Secondary Education
Department of Corrections
Office of the State Courts Administrator
Office of the State Public Defender
Department of Natural Resources



Julie Morff
Director
April 24, 2026



Jessica Harris
Assistant Director
April 24, 2026