

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3903-03
Bill No.: Truly Agreed To and Finally Passed HCS for SCS for SB 957
Subject: Motor Vehicles; Licenses- Motor Vehicle; Military Affairs
Type: Original
Date: May 21, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

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

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)- Motor Vehicle Bureau (MVB)** are unable to determine the number of Operation Enduring Freedom or the number of Operation Noble Eagle plates that will be requested. This will have an unknown impact on the MVB.

Officials with the DOR further assume that each applicant for the specialized Operation Enduring Freedom license plate and Operation Noble Eagle license plate would pay an additional \$15 fee for the plate. However, because the MVB does not know the number of individuals who will apply for this special plate, the revenue increase cannot be determined. This would have an unknown revenue increase.

In response to a similar proposal, DOR noted that if there were 100 applications for new special plates each year, the Motor Vehicle Bureau would not require overtime hours to process those applications. However, DOR also stated the Motor Vehicle Bureau would require overtime for staff to process larger numbers of additional applications. The MVB would also incur costs for policies, procedures and postage; however, the cost for these forms will be minimal for 100 additional new applications. DOR noted that additional appropriations would need to be requested for future years if new applications beyond the 100 anticipated are received.

In the past, programs similar to this proposed legislation have been paid for with highway funds. This year, however, highway funds may not be available for this purpose as a result of legislation enacted by the General Assembly in 2000 that limits the use of highway funds.

DOR states if highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

Oversight assumes the number of plates to be issued, and the revenues and costs associated with this proposal would be minimal and could be absorbed from existing resources. If the volume of new special license plates exceeds anticipated levels, additional funding could be requested through the existing budget process.

ASSUMPTION (continued)

DOR assumes the historic license plate portion of the proposal would eliminate the \$15 that is currently required for personalized historic plates. Currently, there are 93 year of manufacture license plates that this proposed legislation would effect. DOR assumes that if the \$15 personalized plate fee would be eliminated, there will be a decrease in revenues as follows:

FY03

93 x \$15 = \$1,395/12 x 10 = \$1,163 x 75% = (\$872) Highway
x 15% = (\$174) Cities
x 10% = (\$116) Counties

FY04 & FY05

\$1,395 x 75% = (\$1,046) Highway
\$1,395 x 15% = (\$209) Cities
\$1,395 x 10% = (\$140) Counties

Oversight assumes the decrease in revenue would be minimal and could be absorbed by the agency.

Officials from the **Department of Highway and Transportation** were unable to provide an estimate for this proposal and must rely upon the DOR's response.

Officials from the **Missouri Veterans Commission** and the **Missouri Highway Patrol** assume this proposal will not have an impact on their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - Small Business			

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

DESCRIPTION


This proposal would allow those who serve in Operation Enduring Freedom and Operation Noble Eagle to receive a special license denoting such service. This proposal would also revise

the process for the registration of historic motor vehicle plates. Owners of vehicles with plates consistent with the year of manufacture would be allowed to register and keep those plates.

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

SOURCES OF INFORMATION

Department of Revenue
Department of Highway and Transportation
Missouri Highway Patrol
Missouri Veterans Commission

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director
May 21, 2002