COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

<u>L.R. No.</u>: 4724-02

Bill No.: Perfected SCS for SB 1241, 1253 &1189

Subject: Health, Public, Licenses- Motor Vehicle, Motor Vehicles- Revenue Dept.

<u>Type</u>: Original

<u>Date</u>: March 21, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS				
FUND AFFECTED	FY 2003	FY 2004	FY 2005	
Highway Funds	\$192	\$6,975	\$6,975	
Total Estimated Net Effect on <u>All</u> State Funds	\$192	\$6,975	\$6,975	

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	\$1,938	\$2,325	\$2,325	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

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FISCAL ANALYSIS

<u>ASSUMPTION</u>

Officials with the **Department of Revenue- Motor Vehicle Bureau** (MVB) assume the following number of applications will be received for the following specialty plates:

Breast Cancer Awareness = 100 applicants Delta Sigma Theta" or "Omega Psi Phi"= 200 applicants Kingdom of Calontir= 120 applicants Missouri War Reenactors= 500 applicants

Officials from MVB further assume that for the Breast Cancer Awareness, Kingdom of Calontir and Delta Sigma Theta and Omega Psi Phi specialty plates the agency would incur costs for policies, procedures, postage, plates and tabs; however, the revenues and costs will also be absorbed through existing resources. However, the MVB assumes the costs and revenues associated with the Missouri War Reenactors specialty plates would not be minimal. The Motor Vehicle Bureau would require 1 Clerk Typist II for 50 hours of overtime to process the new types of plates. The MVB will also incur costs for policies, procedures and postage in amount of \$1,620 and \$2,390 for plates and tabs.

Revenue Impact for the Missouri War Reenactors Specialty Plates

<u>FY03</u>

620 x \$15 = \$9,300/12 x 10 = \$7,750 x 75% = \$5,813 Highway x 15% = \$1,163 Cities x
$$10\%$$
 = \$775 Counties

FY04 & FY05

Officials from the Department of Revenue assume no fiscal impact with regards to section 301.2999.

Officials from the **Department of Transportation** are unable to provide an estimate on this proposal and will rely on the Department of Revenue response.

Officials from the **Department of Health**, **Department of Public Safety** and **Missouri State Highway Patrol** assume no fiscal impact to their agencies.

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ASSUMPTION (continued)

Officials from the **Secretary of State** (SOS) assume the Department of Revenue may promulgate rules to implement this legislation. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Revenue could require as many as 16 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23.00. The estimated cost of a page in the Code of State Regulations is \$27.00. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn. The SOS estimate these costs to be \$984. [(16x\$27)+(24x\$23)=\$984]

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

FISCAL IMPACT - State Government	FY 2003 (10 Mo.)	FY 2004	FY 2005
HIGHWAY FUNDS			
Income-Department of Revenue			
Special License Plate Fee	<u>\$5,813</u>	<u>\$6,975</u>	<u>\$6,975</u>
Total	<u>\$5,813</u>	<u>\$6,975</u>	<u>\$6,975</u>
Cost- Department of Revenue			
Salaries	(\$775)	\$0	\$0
Equipment and Expenses	<u>(\$4,846)</u>	<u>\$0</u>	<u>\$0</u>
Total	<u>(\$5,621)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON			
HIGHWAY FUNDS	<u>\$192</u>	<u>\$6,975</u>	<u>\$6,975</u>
FISCAL IMPACT - Local Government	FY 2003	FY 2004	FY 2005
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ESTIMATED NET EFFECT ON LOCAL GOVERNMENT	<u>\$1,938</u>	<u>\$2,325</u>	<u>\$2,325</u>
Revenue- Counties Special License Plate Fee	<u>\$775</u>	<u>\$930</u>	<u>\$930</u>
Revenue- Cities Special License Plate Fee	\$1,163	\$1,395	\$1,395
FISCAL IMPACT - Local Government	FY 2003 (10 Mo.)	FY 2004	FY 2005

FISCAL IMPACT - Small Business

It is assumed that this proposal could have fiscal impact to small businesses who have special plate revenue and will not meet the future requirements as outlined by this proposal.

DESCRIPTION

This proposal would allow persons to receive "Breast Cancer Awareness" license plates after making an annual \$25 contribution to the Friends of the Missouri Women's Council. The contribution may be only used for breast cancer services. In addition to the \$25 contribution, the person would pay \$15 plus regular registration fees. No additional fee shall be assessed for the personalization of such plates.

This proposal would also allow persons to receive "Delta Sigma Theta" or "Omega Psi Phi" Greek organization license plates after making an annual \$25 contribution to those organizations. In addition to the \$25 contribution, the person must pay \$15 plus regular registration fees. No additional fee shall be assessed for the personalization of such plates.

This proposal would also allow members of the Kingdom of Calontir and the Missouri Civil War Reenactors Association to receive special license plates. To obtain the plate, a person must get a use authorization statement (\$25 contribution) from the respective organizations and present the statement to the Department of Revenue at the time of registration along with a \$15 fee in addition to the registration fee and other documents required by law. Revenue collected from authorization contributions, minus any reasonable administrative cost, will be used solely for the purposes of the respective organizations.

DESCRIPTION (continued)

EJ:LR:OD (12/01)

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This proposal would also prohibit the Director of the Department of Revenue from issuing specialized license plates for sponsoring organizations which raise revenues from the use of their emblems on such plates unless the organization is a governmental entity or a not-for-profit organization. Current organizations shall have until January 1, 2004, to comply with the provisions of this section. The Director shall require such organizations to verify their eligibility status.

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

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SOURCES OF INFORMATION

Department of Revenue Department of Transportation Missouri Highway Patrol Department of Health Department of Public Safety Secretary of State

> Mickey Wilson, CPA Acting Director March 21, 2002

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