

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5699-01
Bill No.: HB 2126
Subject: Telecommunications; Transportation; Motor Vehicles
Type: Original
Date: February 26, 2016

Bill Summary: This proposal establishes the Fair Fare Passenger Safety Act of 2016 that prohibits any person operating a motor vehicle for compensation and transporting passengers from using a hand-held wireless device.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	(\$12,578)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$12,578)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Various State Funds	Less than \$100,000	Less than \$100,000	Less than \$100,000
Highway Fund	Less than \$100,000	Less than \$100,000	Less than \$100,000
Total Estimated Net Effect on Other State Funds	Less than \$100,000	Less than \$100,000	Less than \$100,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	Less than \$100,000	Less than \$100,000	Less than \$100,000

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Revenue (DOR)** assume this proposal prohibits anyone operating a moving motor vehicle who is receiving compensation for the transportation of one or more passengers from using a hand-held device to send, write, read a text message or make or take part in a telephone call.

Administrative Impact:

Driver License Bureau

This will result in an increase in the number of traffic convictions received and processed by the Department. When the volume of convictions increase, the Department issues more point warning and suspension notices pursuant to §302.304, RSMo. This results in an increase in customer contacts.

There are no statistics available to determine exactly how many additional convictions will result from this proposal. If the volume is so significant that it cannot be absorbed by existing staff additional FTE(s) will be requested through the appropriations process.

FY 2017

- Requires programming and use acceptance testing of the Missouri Driver License System (MODL) for a new conviction code for operating a motor vehicle for hire using a hand-held device.
- The Department will assess 2 points for the conviction(s).

Administrative Analyst I - 40 hours @ \$26 (1 ½) per hour =	\$1,040
Management Analysis Spec 1 - 40 hours @ \$22 per hour =	<u>\$ 880</u>
	Total = \$1,920

Requires updates to the following:

- Procedures
- Correspondence letters
- Driver Guide
- Department's website
- Training of staff

ASSUMPTION (continued)

FY 2017

Update webpage - Administrative Analyst III - 10 hrs @ \$23 per hour =	\$230
Update forms - Management Analysis Spec I - 40 hours @ \$21 per hour =	\$840
Update procedures - Management Analysis Spec I - 40 hours @ \$21 per hour =	\$840
Total =	\$1,910

OA-ITSD services will be required at a cost of \$8,748 (117 hours @ \$75 per hour).

In summary, DOR assumes a cost of \$12,578 (\$1,920 + \$1,910 + 8,748) for this proposal in FY 2017.

Revenue Impact:

Reinstatement fees collected are unknown. Fees collected will be distributed 75% Highway Funds, 15% Cities, and 10% Counties.

Officials from the **Office of Prosecution Services** assume that the creation of a new crime creates additional responsibilities for county prosecutors which may in turn result in additional costs which are difficult to determine. There is no measurable fiscal impact to the Office of Prosecution Services for this proposal.

Officials from the **Department of Transportation, State Public Defender's Office, Office of State Courts Administrator, Department of Public Safety - Missouri Highway Patrol, Department of Corrections and Department of Insurance, Financial Institutions and Professional Registration** each assume the proposal will have no fiscal impact on their respective organizations.

Since it is unknown how many convictions there will be as a result of this proposal, **Oversight** will estimate an increase in revenue from the texting while driving fine of "Less than \$100,000" to Various State Funds. Oversight will also estimate an increase in revenue from the reinstatement fees of "Less than \$100,000" to the Highway Fund, Cities and Counties.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
GENERAL REVENUE			
<u>Cost - DOR</u> Administrative costs	<u>(\$12,578)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE	<u>(\$12,578)</u>	<u>\$0</u>	<u>\$0</u>
VARIOUS STATE FUNDS			
<u>Revenue - DOR</u> Texting while driving fine	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
ESTIMATED NET EFFECT TO VARIOUS STATE FUNDS	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
HIGHWAY FUND			
<u>Revenue - DOR</u> Reinstatement fees (75%)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
ESTIMATED NET EFFECT TO THE HIGHWAY FUND	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> - Local School Districts and municipalities - fine revenue	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Cities Reinstatement fees (15%)	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Counties Reinstatement fees (10%)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal establishes the Fair Fare Passenger Safety Act of 2016 that prohibits any person operating a motor vehicle on the highways or other public roadways of this state for compensation for the transportation of one or more passengers from using a hand-held electronic wireless communications device to send, read, or write a text message or electronic message. The person is also prohibited from making or taking part in a telephone call by means of a handheld electronic wireless communication device.

The provisions of the proposal must not apply to a person operating:

- (1) An authorized emergency vehicle; or
- (2) A moving motor vehicle while using a hand-held device to report illegal activity, summon medical or other emergency help, prevent injury to a person or property, or relay information between a transit or for-hire operator and that operator's dispatcher when the device is permanently affixed to the vehicle.

A violation of these provisions must be deemed an infraction and must be deemed a moving violation that is assessed points.

FISCAL DESCRIPTION (continued)

Any city or county must have the authority to adopt ordinances or regulations that are equivalent to, but not more restrictive than, the provisions of the proposal

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

SOURCES OF INFORMATION

Office of Prosecution Services
Department of Transportation
Office of State Courts Administrator
State Public Defender's Office
Department of Public Safety
 Missouri Highway Patrol
Department of Corrections
Department of Insurance, Financial Institutions and Professional Registration
Department of Revenue



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