

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0123-02  
Bill No.: SB 419  
Subject: Licenses- Motor Vehicle; Revenue Dept; Treasurer, State;  
Type: Original  
Date: March 2, 2003

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway	(\$5,855)	\$625	\$625
Organ Donor	\$2,000	\$2,500	\$2,500
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$3,855)</b>	<b>\$3,125</b>	<b>\$3,125</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>
<b>Local Government</b>	<b>\$313</b>	<b>\$375</b>	<b>\$375</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials with the **Department of Transportation** assume this proposal would have no fiscal impact on their agency.

Officials with the **Department of Health and Senior Services (DHSS)** assume this proposal could have a modest positive affect on the Organ Donor Fund due to contributions by persons with the Organ Donor special plate. DHSS assumes the potential funds deposited into the Organ Donor Fund would be \$2,500-\$6,250 annually. For fiscal note purposes, **Oversight** will use the estimates provided by the **Department of Revenue**.

Officials with the **State Treasurer's Office (STO)** assume this proposal could create an Organ Donor Fund to be administered by their agency. STO assumes they could need an additional Accountant II to administer the Fund. **Oversight** assumes that STO could absorb the cost of this proposal with existing resources.

ASSUMPTION (continued)

Officials with the **Secretary of State's Office (SOS)** assume this proposal could allow motorists to obtain organ donor special license plates. DOR could promulgate rules to enact this legislation. Based on experience with other divisions, the rules, regulations and forms issued by DOR could require as many as 6 pages in the Code of State Regulations and half again as many pages in the Missouri Register 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 Register is \$23 and the estimated cost of a page in the Code is \$27. The actual cost could be more or less than the numbers given. The impact of the legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

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.

Officials with the **DOR- Division of Motor Vehicle and Drivers Bureau (DVSB)** assume this proposal could have fiscal impact on their agency. The DVSB cannot determine the number of plates that could be issued as a result of this legislation. Therefore, the revenue impact is based on the issuance of 100 plates. If the volume of applications for this plate type substantially exceed 100, the department may require additional appropriations. There is a \$15 application fee for this plate and a \$25 contribution to the Organ Donor Fund.

FY 04 (10 months) Income

80 plates issued* \$15 plate fee	\$1,200
80 plates issued* \$25 contribution	\$2,000

FY 05 Income

100 plates issued* \$15 plate fee	\$1,500
100 plates issued* \$25 contribution	\$2,500

FY 06 Income

100 plates issued* \$15 plate fee	\$1,500
100 plates issued* \$25 contribution	\$2,500

ASSUMPTION (continued)

According to the Missouri Constitution, the fee revenue is to be dispersed in the following manner:

State Road Fund	75%
Cities	15%
Counties	10%

DOR-DVSB assumes there could also be cost associated with this proposal for procedures, mailings, plates, tabs and storage at the State Data Center. Their agency notes that prior to last year specialty plates were developed, designed and provided to DOR by the Missouri Vocational Enterprises. The Missouri Vocational Enterprises recently contracted with a vendor to now provide all Missouri specialty plates. The costs will be shown for all specialty license plate bills accordingly.

This contract requires DOR to pay:

- \$250 new plate design set-up fee (if applicable)
- \$50 per modification for a new plate design (if applicable)
- \$80 per revision to existing plate designs (if applicable)
- \$4.50 per plate for freight shipping to DOR

Officials with **DOR- Information and Technology Bureau (ITB)** assume that implementing this proposal could require 180 hours of overtime programming to modify the special plate reservation program, the renewal pull program for fees and the Uniform Field Office System.

FY 04 Cost

Forms change and Envelopes	\$402
Plate Design (contractor)	\$250
Postage (100*4.50) and extra to agencies	\$796
Plates (100*5.98) and Tab actual cost	\$624
Storage at State Data Center	\$500
Programming Salaries	<u>\$4,221</u>
Total	\$6,793

FY 05 Cost

Storage at State Data Center	\$500
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FY 06 Cost

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Storage at State Data Center \$500

ASSUMPTION (continued)

To implement this legislation, DOR could require additional funds. In the past, the programs included in this 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.

This limitation is found in Section 226.200.3, RSMo. It places a cap on the highway funding available to state departments other than the Department of Transportation. The total amount of highway funds appropriated to these other state departments (including DOR) cannot exceed the total amount of their fiscal year 2001 highway appropriations. This cap limits the highway funds that will be available for the implementation of this legislation.

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

This proposal could increase state revenue through plate fees.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
<b>HIGHWAY FUND</b>			
<u>Income-Department of Revenue</u>			
License Plate Fee	\$938	\$1,125	\$1,125
<u>Cost-Department of Revenue</u>			
Forms and Postage	(\$1,448)	\$0	\$0
Programming Salaries	(\$4,221)	\$0	\$0
Storage	(\$500)	(\$500)	(\$500)
Plates and Tabs	<u>(\$624)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Cost-DOR</u>	<u>(\$6,793)</u>	<u>(\$500)</u>	<u>(\$500)</u>
<b>NET ESTIMATED EFFECT ON HIGHWAY FUND</b>	<b><u>(\$5,855)</u></b>	<b><u>\$625</u></b>	<b><u>\$625</u></b>

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
<b>ORGAN DONOR FUND</b>			
<u>Income</u>			
Contribution per plate	<u>\$2,000</u>	<u>\$2,500</u>	<u>\$2,500</u>
<b>ESTIMATED EFFECT ON ORGAN DONOR FUND</b>	<b><u>\$2,000</u></b>	<b><u>\$2,500</u></b>	<b><u>\$2,500</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
<b>LOCAL FUNDS</b>			
<u>Income-Cities</u>			
License Plate Fee	\$188	\$225	\$225
<u>Income-Counties</u>			
License Plate Fee	<u>\$125</u>	<u>\$150</u>	<u>\$150</u>
<b>NET ESTIMATED EFFECT ON LOCAL FUNDS</b>	<b><u>\$313</u></b>	<b><u>\$375</u></b>	<b><u>\$375</u></b>
<u>FISCAL IMPACT - Small Business</u>			

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

DESCRIPTION

Allows motorists to obtain an Organ Donor special license plate. Persons would pay a \$15 fee to DOR and contribute \$25 to the Organ Donor Fund.

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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 Transportation  
Department of Health and Senior Services  
State Treasurer's Office  
Secretary of State



Mickey Wilson, CPA  
Director  
March 2, 2003