

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1219-01
Bill No.: SB 331
Subject: Licenses-Motor Vehicles; Revenue Dept.
Type: Original
Date: March 9, 2003

FISCAL SUMMARY

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

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway Fund	(\$814)	\$1,125	\$1,125
Total Estimated Net Effect on <u>Other</u> State Funds	(\$814)	\$1,125	\$1,125

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

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

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

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Transportation** assume this legislation would have no fiscal impact on their agency and concur with the response from Department of Revenue.

Officials with the **Department of Revenue- Division of Motor Vehicle and Drivers Bureau (DVSB)** assume this proposal would have fiscal impact on their agency. The DVSB cannot determine the number of plates that will 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 exceeds 100, the department may require additional appropriations.

DVSB 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

ASSUMPTION (continued)

DVSB assume their agency could incur cost for procedure changes, forms, mailings, plates and tabs.

FY 04 (10 Months) Income and Cost	
Plate fees (80 plates issued*\$15)	\$1,200
Procedures, Forms and Envelopes =	(\$482)
Postage =	(\$796)
Plates and Tabs =	<u>(\$474)</u>
Total	(\$552)

FY 05 Income (no applicable cost)	
Plate fees (100*\$15)	\$1,500

FY 06 Income (no applicable cost)	
Plate Fees (100*\$15)	\$1,500

To implement this legislation, the 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.

FISCAL IMPACT - State Government	FY 2004 (10 Mo.)	FY 2005	FY 2006
HIGHWAY FUND			
<u>Income- Department of Revenue</u>			
Plate fees	<u>\$938</u>	<u>\$1,125</u>	<u>\$1,125</u>
<u>Cost- Department of Revenue</u>			
Equipment and Expense	<u>(\$1,752)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON HIGHWAY FUND	<u>(\$814)</u>	<u>\$1,125</u>	<u>\$1,125</u>
FISCAL IMPACT - Local Government	FY 2004 (10 Mo.)	FY 2005	FY 2006
LOCAL FUNDS			
<u>Income-Cities</u>			
Plate Fees	<u>\$188</u>	<u>\$225</u>	<u>\$225</u>
<u>Income- Counties</u>			
Plate Fees	<u>\$125</u>	<u>\$150</u>	<u>\$150</u>
ESTIMATED NET EFFECT ON LOCAL FUNDS	<u>\$313</u>	<u>\$375</u>	<u>\$375</u>
<u>FISCAL IMPACT - Small Business</u>			

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

DESCRIPTION

This proposal would expand the weight categories of motor vehicles for which Silver Star license plates may be purchased. Such plates will now be available for other than apportioned motor vehicles and commercial motor vehicles licensed in excess of eighteen thousand pounds. It would also allow an applicant to obtain two sets of license plates rather than one.

This legislation is not federally mandated, would not duplicate any other program and would not

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require additional capital improvements or rental space

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation



Mickey Wilson, CPA
Director
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