

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1491-07
Bill No.: HCS for SS for SCS for SB 254
Subject: Motor Vehicles; Roads and Highways; Transportation; Revenue Department;
 Drunk Driving/Boating; Licenses - Motor Vehicle
Type: Original
Date: May 5, 2011

Bill Summary: This proposal modifies Missouri's drunk driving law to comply with federal law for purposes of transportation funding.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(Up to \$13,128)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(Up to \$13,128)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Road Fund	\$0 or \$16,000,000	\$0 or \$16,000,000	\$0 or \$16,000,000
Highway Safety	\$0 or (\$16,000,000)	\$0 or (\$16,000,000)	\$0 or (\$16,000,000)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact the courts.

Officials from the **Department of Public Safety - Highway Patrol** assume the proposal will not create a fiscal impact to their agency.

Officials from the **Department of Transportation (MoDOT)** state Title 23 United States Code (USC) Section 164 outlines provisions that must be included in a state's repeat intoxicated driver law and requires a transfer of 3% of the state's federal-aid highway funds if the state has not enacted or is not enforcing a repeat intoxicated driver law that meets Section 164's requirements. A statute change from last legislative session (SS SCS HCS HB 1695, 1742, & 1674) put the state out of compliance with 23 USC 164 (mandatory jail time/community service and limited driving privileges for repeat offenders). MoDOT requested a legal review by the National Highway Traffic Safety Administration to ensure SS SCS SS SB 254 puts state statute back into compliance with 23 USC 164. Officials from the National Highway Traffic Safety Administration have reviewed this version of the bill and have notified MoDOT that passage of SS SCS SB 254 would fulfill federal requirements. Therefore, passage of SS SCS SB 254 would reverse the penalty transfer of approximately \$16 million. This would give MoDOT more flexibility in expending these funds.

Oversight will range the fiscal impact of the proposal from \$0 (legislation would not impact Missouri's compliance with federal code) to the \$16 million correction of the penalty as stated by MoDOT.

Officials from the **Department of Revenue (DOR)** stated this proposal would bring the state into compliance with federal regulations and ensure receipt of federal aid highway funds. DOR states the proposed changes would require:

- System modifications regarding the changes to Limited Driving Privileges;
- Draft updates to web site information on Limited Driving Privileges;
- Updating office procedures;
- additional training of personnel

ASSUMPTION (continued)

DOR's Drivers License Bureau (DLB) estimates 160 hours of system testing for one Management Analysis Specialist II (at \$23 per hour or \$3,680) and the same amount of time for one Administrative Analyst I (at \$16 per hour or \$2,560). DOR also assumes the need for 160 hours of work for a Revenue Band Manager (at \$25 per hour or \$4,000), 40 hours of work for two Management Analysis Specialist I for forms and Internal Procedure development (each at \$20.13 per hour or \$1,610) and 10 hours for an Administrative Analyst III for web page updates (at \$21.79 per hour or \$218).

DOR's response to a similar proposal in prior years would have indicated the Department planned to absorb the administrative costs to implement the proposal. Due to budget constraints, reduction of staff and the limitations within the Department's driver license legacy systems, changes cannot be made without significant impact to the Department's resources and budget. Therefore, the IT portion of the fiscal impact is estimated with a level of effort valued at \$1,060. The value of the level of effort is calculated by taking 1 FTE for 40 hours

In summary, DOR assumes a cost of \$13,128 in FY 2012 to provide for the implementation of the changes in this proposal.

Oversight assumes some of DOR's anticipated work hours could be performed during the normal work day and not create an additional expense to their budget; therefore, Oversight will range the cost to the Department of Revenue as 'up to \$13,128'.

In response to similar versions of this substitute, officials from the **Office of the Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the Secretary of State's Office for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE			
<u>Costs</u> - Department of Revenue			
Administrative changes to prepare for updates in the proposal	<u>(Up to \$13,128)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>(Up to \$13,128)</u>	<u>\$0</u>	<u>\$0</u>
 ROAD FUND			
<u>Savings</u> - more Federal funding could be utilized by this fund if Missouri becomes compliant	\$0 or <u>\$16,000,000</u>	\$0 or <u>\$16,000,000</u>	\$0 or <u>\$16,000,000</u>
ESTIMATED NET EFFECT TO THE ROAD FUND	<u>\$0 or \$16,000,000</u>	<u>\$0 or \$16,000,000</u>	<u>\$0 or \$16,000,000</u>
 HIGHWAY SAFETY FUND			
<u>Loss</u> - Federal funding could be utilized by the Road Fund if Missouri becomes compliant	\$0 or <u>(\$16,000,000)</u>	\$0 or <u>(\$16,000,000)</u>	\$0 or <u>(\$16,000,000)</u>
ESTIMATED NET EFFECT TO THE HIGHWAY SAFETY FUND	<u>\$0 or (\$16,000,000)</u>	<u>\$0 or (\$16,000,000)</u>	<u>\$0 or (\$16,000,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<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.

FISCAL DESCRIPTION

This act modifies Missouri's alcohol-related traffic offense law to comply with federal law.

Current state law (Section 302.309.3(2)) allows courts and the Department of Revenue to issue limited driving privileges to allow repeat offenders to drive a motor vehicle to: (1) a business, occupation or employment; (2) medical treatment; (3) school; (4) alcohol or drug treatment programs; (5) an ignition interlock provider for required service; and (6) other circumstances the court or the department finds would create an undue hardship. However, for purposes of federal transportation funding, federal law (23 U.S.C. §164) only allows the issuance of a limited driving privilege in connection with: (1) work; (2) attending school; (3) attending alcohol treatment programs; and (4) seeking the required services of an ignition interlock provider. In order to comply with federal law, Section 302.309.3(2) must be amended so that a repeat offender limited driving privilege may only be granted for the four purposes authorized by Section 164. Under the terms of this act, the courts and the department will only be able to issue limited driving privileges to repeat offenders for the purpose of attending work, school, alcohol or drug treatment programs, and seeking the services of a certified ignition interlock device provider. Limited driving privileges may not be granted for seeking medical treatment or other circumstances that create undue hardships for the driver.

This act also modifies the "hard walk" provision contained in section 302.309.3(6)(a) from 30 days to 45 days so that a person convicted of a DWI will not be eligible for a limited driving privilege until such person has completed the first 45 days of the suspension or revocation.

Current Missouri law (Section 577.023) allows prior and persistent offenders to participate in and successfully complete a DWI court in lieu of jail time or community service. A prior or persistent offender may escape the statutory minimum days of imprisonment by performing community service or successfully completing a DWI court program. Federal law, however, does not authorize DWI courts as an alternative to mandatory jail or community service. Under

FISCAL DESCRIPTION (continued)

the terms of this act, prior and persistent offenders may avoid the minimum days of imprisonment by performing community service and completing a DWI court program, if such program is available. The DWI court program or other treatment program must include the minimal periods of community service.

This legislation is federally mandated. It 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 Public Safety
Office of the State Courts Administrator
Office of the Secretary of State



Mickey Wilson, CPA
Director
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