

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1837-01
Bill No.: HB 703
Subject: Highway Patrol; Water Patrol; Motor Vehicles
Type: Original
Date: March 19, 2013

Bill Summary: This proposal provides that the Highway Patrol Fund include money for the maintenance of Highway Patrol vehicles, watercraft, and aircraft and be used for maintenance and fuel costs of such items.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	\$0 or \$1,174,857	\$0 or \$1,445,074	\$0 or \$1,481,201
Total Estimated Net Effect on General Revenue Fund	\$0 or \$1,174,857	\$0 or \$1,445,074	\$0 or \$1,481,201

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Highway Patrol Motor Vehicle Revolving Fund	\$0 or (\$6,173,485)	\$0 or (\$7,593,386)	\$0 or (\$7,783,220)
Other State Funds	\$0 or \$4,998,628	\$0 or \$6,148,312	\$0 or \$6,302,019
Total Estimated Net Effect on Other State Funds	\$0 or (\$1,174,857)	\$0 or (\$1,445,074)	\$0 or (\$1,481,201)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Budget and Planning** defer to the Missouri State Highway Patrol for a specific estimate on the impact to the Highway Patrol's Motor Vehicle, Aircraft, and Water Craft Revolving Fund.

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state the proposed legislation would provide that the Highway Patrol's Vehicle Revolving Fund include money for the maintenance of Highway Patrol vehicles, watercraft, and aircraft and be used for maintenance and fuel costs of such items.

The Motor Equipment Division of the Highway Patrol states that maintenance expenses are currently paid from the following funds:

General Revenue -	\$67,377 (Maintenance)	+	\$1,342,451 (Fuel)	=	\$1,409,828
Drug Forfeiture -	\$131,486 (Maintenance)				
Gaming -	\$185,838 (Maintenance)	+	\$776,954 (Fuel)	=	\$962,792
Water Patrol -	\$50,000 (Maintenance)				
Highway -	<u>\$1,722,913 (Maintenance)</u>	+	<u>\$3,131,162 (Fuel)</u>	=	<u>\$4,854,075</u>
Total -					\$7,408,181

As a result of this proposed legislation, those funds would see a savings, and the expense would instead come from the Vehicle/Air Revolving Fund. The MHP assumed ten months of impact in FY 2014, and a 2.5% annual increase in subsequent years.

According to reports from the **Office of the State Treasurer**, the balance of the Highway Patrol Motor Vehicle Revolving Fund (0695) at February 28, 2013 was approximately \$9.4 million.

Oversight will range the fiscal impact from this proposal from \$0 (the proposal is permissive - simply adding what type of expenditure the fund can be utilized for) to the estimates provided by the MHP. The net fiscal impact from all funds will be \$0. For simplicity, Oversight will list the Vehicle/Air Revolving Fund, the General Revenue Fund, and group the other four funds into 'Other State Funds'.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE			
<u>Savings - Missouri Highway Patrol</u>			
Potential reduction in expenditures if HWY Patrol Revolving Fund starts to pay for MHP maintenance and fuel	<u>\$0 or</u> <u>\$1,174,857</u>	<u>\$0 or</u> <u>\$1,445,074</u>	<u>\$0 or</u> <u>\$1,481,201</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$0 or</u> <u>\$1,174,857</u>	<u>\$0 or</u> <u>\$1,445,074</u>	<u>\$0 or</u> <u>\$1,481,201</u>
 HIGHWAY PATROL MOTOR VEHICLE REVOLVING FUND			
<u>Costs - Missouri Highway Patrol</u>			
Potential increase in expenditures if HWY Patrol Revolving Fund starts to pay for MHP maintenance and fuel	<u>\$0 or</u> <u>(\$6,173,485)</u>	<u>\$0 or</u> <u>(\$7,593,386)</u>	<u>\$0 or</u> <u>(\$7,783,220)</u>
ESTIMATED NET EFFECT TO THE HIGHWAY PATROL MOTOR VEHICLE REVOLVING FUND	<u>\$0 or</u> <u>(\$6,173,485)</u>	<u>\$0 or</u> <u>(\$7,593,386)</u>	<u>\$0 or</u> <u>(\$7,783,220)</u>
 OTHER STATE FUNDS			
<u>Savings - Missouri Highway Patrol</u>			
Potential decrease in expenditures if HWY Patrol Revolving Fund starts to pay for MHP maintenance and fuel	<u>\$0 or</u> <u>\$4,998,628</u>	<u>\$0 or</u> <u>\$6,148,312</u>	<u>\$0 or</u> <u>\$6,302,019</u>
ESTIMATED NET EFFECT TO OTHER STATE FUNDS	<u>\$0 or</u> <u>\$4,998,628</u>	<u>\$0 or</u> <u>\$6,148,312</u>	<u>\$0 or</u> <u>\$6,302,019</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<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

Currently, the Highway Patrol's Motor Vehicle, Aircraft, and Watercraft Revolving Fund, which is administered by the Superintendent of the State Highway Patrol, includes funds received from any source for the purchase of highway patrol vehicles, watercraft, watercraft motors, trailers, aircraft, and aircraft parts. The fund is to be used for the purchase of highway patrol vehicles, watercraft, and aircraft.

This bill allows the fund to also include money received for the maintenance of highway patrol vehicles, watercraft, watercraft motors, trailers, aircraft, and aircraft parts and specifies that the fund be used for the purchase, maintenance, and fuel costs of the items.

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 Administration - Budget and Planning
Department of Public Safety
Missouri Highway Patrol
Office of the State Treasurer



Ross Strope
Acting Director
March 19, 2013

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