

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0356-01

Type: Original

Bill No.: HB 115

Date: January 14, 2015

Subject: Insurance - Automobile; Motor Vehicles; Transportation

Bill Summary: This proposal requires owners of bicycles and other non-motor vehicles operating on highways to carry liability insurance.

State Fiscal Highlights

- No direct fiscal impact on the state is anticipated.

Local Fiscal Highlights

- No direct fiscal impact on local political subdivisions is anticipated.

Fiscal Analysis

Officials from the **Office of the Secretary of State (SOS)** state 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 SOS 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, the SOS also recognizes 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 the office can sustain with the core budget. Therefore, the SOS reserves 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.

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.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Revenue**, the **Office of Prosecution Services (OPS)** and the **Office of the State Courts Administrator** each assume the current proposal would not fiscally impact their respective agencies.

Fiscal Analysis (continued)

Officials from the **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

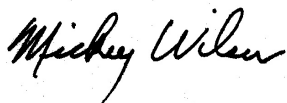
For the purpose of this proposed legislation, and as a result of excessive caseloads, the **Office of State Public Defender (SPD)** cannot assume existing staff will provide competent, effective representation for any indigent clients are charged with the proposed new crime of operating a non-motor vehicle on the highways without liability insurance. A second offense could result in jail time. The Missouri State Public Defender System is currently operating in a crisis mode with caseloads far in excess of any recognized standard.

Passage of legislation increasing penalties on existing crimes, or creating new crimes will require the State Public Defender System to further overextend already overextended resources. While the number of new cases may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide competent and effective representation in all its cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

In addition, the **OPS** states 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.

No direct fiscal impact to small businesses would be expected as a result of this proposal. Also, this legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.



Mickey Wilson, CPA
Director
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Ross Strobe
Assistant Director
January 14, 2015