

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1637-01
Bill No.: HB 702
Subject: Telecommunications; Transportation; Motor Vehicle
Type: Original
Date: February 27, 2015

Bill Summary: This proposal establishes the Fair Fare Passenger Safety Act of 2014 which prohibits any person operating a motor vehicle for compensation and transporting passengers from using a hand-held wireless device.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Various State Funds	Less than \$100,000	Less than \$100,000	Less than \$100,000
Highway Fund	Less than \$100,000	Less than \$100,000	Less than \$100,000
Total Estimated Net Effect on <u>Other</u> State Funds	Less than \$100,000	Less than \$100,000	Less than \$100,000

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any Of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	Less than \$100,000	Less than \$100,000	Less than \$100,000

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

In response to a similar proposal (HB 1565) from 2014, officials from the **Department of Revenue (DOR)** assumed this legislation prohibits anyone operating a moving motor vehicle who is receiving compensation for the transportation of one or more passengers from using a hand-held device to send, write, or read a text message or make or take part in a telephone call.

Administrative Impact

DOR officials assumed this new law will result in an unknown increase in convictions. The increase in convictions will also increase the number of point warning and suspension/revocation notices issued for accumulation of points.

There are no statistics to determine how many additional conviction(s) the Department may be required to process; however, one FTE processes 320 convictions per day. The Department assumes that a minimum of one FTE (Revenue Processing Tech) will be needed to process the additional convictions resulting from these violations. If the volume of convictions received for processing exceeds 320 per day, then additional FTE will be required and will be requested through the appropriation process.

There are no statistics to determine the volume of telephone calls that may be received; however currently a Telephone Information Operator (Revenue Processing Tech) is required to handle 100 calls per day. The Department assumes that a minimum of one FTE will be needed to answer the additional phone calls. If the calls received for these convictions exceed 100 calls per day, then additional FTE will be required and will be requested through the appropriation process.

ASSUMPTION (continued)

FY '15

- Requires programming and testing of the Missouri Driver License System (MODL) for a new conviction code for operating a motor vehicle with hand-held device.
- Requires updates to procedures, correspondence letters, website and training of staff.
- OA-ITSD will need to create a new MODL conviction code for a hand-held device.

Administrative Analyst I - 40 hours @ \$25 (1 ½) per hour =	\$1,000
Management Analyst Spec II - 40 hours @ \$23 per hour =	\$920
Update web page - Administrative Analyst III - 10 hrs @ \$23 =	\$230
Update forms - Management Analysis Spec I - 40 hrs @ \$21 =	\$840
Update procedures - Management Analysis Spec I - 40 hrs @ \$21 =	\$840
IT cost - 40 hours @ \$27.30 an hour =	<u>\$1,092</u>
	Total = \$4,922

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DOR could request funding through the appropriation process.

Revenue Impact

Reinstatement fees collected are unknown. Fees collected will be distributed 75% Highway Funds, 15% Cities, and 10% Counties.

Since it is unknown how many convictions there will be as a result of this proposal, **Oversight** will estimate an increase in revenue from the texting while driving fine of "Less than \$100,000" to Various State Funds. Oversight will also estimate an increase in revenue from the reinstatement fees of "Less than \$100,000" to the Highway Fund, Cities and Counties.

Officials from the **Department of Public Safety - Missouri Highway Patrol** assume the proposal will have no fiscal impact on their organization.

In response to a similar proposal (HB 1565) from 2014, officials from the **Office of the State Courts Administrator** assumed the proposal would have no fiscal impact on their organization.

In response to a similar proposal from 2012 (HB 1334), officials from the **Department of Transportation** assumed the proposal would have no fiscal impact on their organization.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
VARIOUS STATE FUNDS			
<u>Revenue</u> - DOR	Less than	Less than	Less than
Texting while driving fine	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>
ESTIMATED NET EFFECT TO VARIOUS STATE FUNDS	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
HIGHWAY FUND			
<u>Revenue</u> - DOR	Less than	Less than	Less than
Reinstatement fees (75%)	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>
ESTIMATED NET EFFECT TO THE HIGHWAY FUND	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> - Local School Districts and municipalities - fine revenue	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Cities	Less than	Less than	Less than
Reinstatement fees (15%)	\$100,000	\$100,000	\$100,000
<u>Revenue</u> - Counties	Less than	Less than	Less than
Reinstatement fees (10%)	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>
ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
<u>FISCAL IMPACT - Small Business</u>			

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

FISCAL DESCRIPTION

This bill establishes the Fair Fare Passenger Safety Act of 2015 that prohibits any person operating a motor vehicle on the highways or other public roadways of this state for compensation for the transportation of one or more passengers from using a hand-held electronic wireless communications device to send, read, or write a text message or electronic message. The person is also prohibited from making or taking part in a telephone call by means of a handheld electronic wireless communication device.

The provisions of the bill must not apply to a person operating:

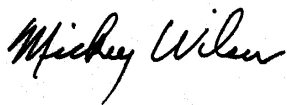
- (1) An authorized emergency vehicle; or
- (2) A moving motor vehicle while using a hand-held device to report illegal activity, summon medical or other emergency help, prevent injury to a person or property, or relay information between a transit or for-hire operator and that operator's dispatcher when the device is permanently affixed to the vehicle.

A violation of these provisions must be deemed an infraction and must be deemed a moving violation that is assessed points. Any city or county must have the authority to adopt ordinances or regulations that are equivalent to, but not more restrictive than, the provisions of the bill.

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 Public Safety
Missouri Highway Patrol
Office of the State Courts Administrator
Department of Transportation
Department of Revenue



Mickey Wilson, CPA

Ross Strobe

L.R. No. 1637-01
Bill No. HB 702
Page 7 of 7
February 27, 2015

Director
February 27, 2015

Assistant Director
February 27, 2015