

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4262-01
Bill No.: HB 1544
Subject: Motor Vehicles; Telecommunications
Type: Original
Date: December 29, 2015

Bill Summary: This proposal prohibits anyone from using a hand-held electronic wireless communications device while driving a non-commercial vehicle unless the device is equipped for hands-free operation and is being used in that manner.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Highway Fund	Less than \$100,000	Less than \$100,000	Less than \$100,000
Total Estimated Net Effect on Other 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 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Local Government	Less than \$100,000	Less than \$100,000	Less than \$100,000

FISCAL ANALYSIS

ASSUMPTION

Officials from **Department of Revenue** assume this legislation removes the current texting while driving offense for persons 21 years of age and under and adds language to prohibit all drivers from making or taking part in a phone call, or texting while driving unless the device being used is equipped with technology allowing for hands-free operation or equipped for voice-recognition hands-free texting and is being used in such manner. This offense requires assessment of points upon conviction pursuant to §302.302, RSMo.

Since this is considered a primary law, allowing law enforcement the ability to stop a driver suspected of operating a motor vehicle when using a hand-held device while driving, the volume of convictions received and processed by the Department will increase.

Administrative Impact:

This proposal will require programming and user acceptance testing of MODL to develop a new conviction code for “prohibiting use of a hand-held device while driving”. This proposal will also require updates to forms, website information, internal procedures and training of staff to account for the changes in this proposal.

FY `17

Administrative Analyst I - 40 hours@ \$21 per hour = \$840

The 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 this violation. 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, a Telephone Information Operator (Revenue Processing Tech) is required to handle 100 calls per day.

ASSUMPTION (continued)

The Department assumes that a minimum of one FTE will be needed to answer the additional phone calls. If the calls received for this conviction exceed 100 calls per day, then additional FTE will be required and will be requested through the appropriation process.

Revenue Impact:

Additional reinstatement fees collected will be distributed 75% Highway Funds, 15% Cities, and 10% Counties.

Officials from the **Office of Prosecution Services** assume the proposal will have no measurable fiscal impact. 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.

Officials from the **Department of Public Safety - Missouri Highway Patrol (DPS-MHP)** assume the proposal will have no fiscal impact on their organization. DPS-MHP state there were 81 tickets issued in 2014 for the offense of 21 years of age and under texting while driving with an approximate fine of \$83 per ticket. However, all fines may not have been paid (for example, the court could have thrown the ticket out or set the fine at a different amount).

Officials from the **Office of State Courts Administrator (OSCA)** assume the proposal will have no fiscal impact on their organization. OSCA was not able to give information regarding how much revenue was collected for fines associated with texting while operating a motor vehicle when 21 years of age or under.

Officials from the **Department of Transportation** assume the proposal will have no fiscal impact on their organization.

Based upon MHP's statement that only 81 tickets for texting while driving for 21 years of age or under were issued in 2014, Oversight assumes a relatively minimal amount of fine revenue and license reinstatement revenue will be collected by expanding the offense to everyone. Also, since it is unknown how many additional convictions the proposal will result in (depending on enforcement by peace officers as well as actions by prosecutors and judges), **Oversight** will assume a "Less than \$100,000" impact to the Highway Fund, Cities and Counties for additional reinstatement fees as well as a "Less than \$100,000" impact to revenue to local political subdivisions for additional fine revenue. Additional fine revenue received by local school districts may count as a deduction in the following year in determining their state aid apportionment, if the district is not a 'hold harmless' district. For simplicity, Oversight will only reflect the increase in fine revenue as a positive impact to local political subdivisions.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
HIGHWAY FUND			
<u>Revenue</u> - Reinstatement fees (75%)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <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 2017 (10 Mo.)	 FY 2018	 FY 2019
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue</u> - various local political subdivisions for tickets for using a cellular phone while driving	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Cities Reinstatement Fees (15%)	Less than \$100,000	Less than \$100,000	Less than \$100,000
<u>Revenue</u> - Counties Reinstatement Fees (10%)	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>
ESTIMATED NET EFFECT TO THE LOCAL POLITICAL SUBDIVISIONS	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>	Less than <u>\$100,000</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

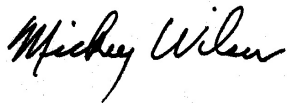
Currently, an individual 21 years of age or younger is prohibited from sending, reading, or writing a text message or electronic message from a hand-held electronic wireless communications device while operating a moving motor vehicle on any highway in this state. This proposal prohibits anyone, regardless of age, from these activities unless the device being used is equipped with technology allowing for voice-recognition hands-free texting and is being used in that manner while operating a noncommercial motor vehicle.

FISCAL DESCRIPTION (continued)

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 Revenue
Department of Public Safety
 Missouri Highway Patrol
Department of Transportation
Office of Prosecution Services
Office of State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration



Mickey Wilson, CPA
Director
December 29, 2015

Ross Strobe
Assistant Director
December 29, 2015