

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6184-05
Bill No.: SCS for HCS for HB Nos. 2277 & 1983
Subject: Department of Agriculture; Boats and Watercraft; Buses; Licenses - Motor Vehicle; Disabilities; Department of Revenue; Department of Transportation; Department of Public Safety; Political Subdivisions
Type: Original
Date: May 8, 2018

Bill Summary: This proposal modifies provisions of law relating to transportation.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$116,533)	(\$1,000,000)	(\$1,000,000)
Total Estimated Net Effect on General Revenue	(\$116,533)	(\$1,000,000)	(\$1,000,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Chemical Emergency Preparedness Fund	\$720,833	\$860,000	\$860,000
Highway Fund	(Minimal)	(Minimal)	(Minimal)
Missouri State Water Patrol	\$0	\$1,000,000	\$1,000,000
State Road Fund	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Could exceed \$720,833	Could exceed \$1,860,000	Could exceed \$1,860,000

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 27 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Federal Motor Carrier Assistance Program Funds	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)	\$0 or (Up to \$8,000,000)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	(Minimal) or Unknown	(Minimal) or Unknown	(Minimal) or Unknown

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.

Bill as a Whole

Officials at the **Department of Revenue (DOR)** assume the following regarding this proposal:

§301.010

Defines an "autocycle" as " a three-wheeled motor vehicle which the drivers and passengers ride in a partially or completely enclosed nonstraddle seating area, that is designed to be controlled with a steering wheel and pedals, and that has met applicable Department of Transportation national Highway Traffic Safety Administration requirements for Federal motorcycle Safety Standards."

Redefines a "motortricycle" by adding "...upon which the operator straddles or sits astride that is designed to be controlled by handle bars..."

§301.020

Exempts autocycles as a type of vehicle for which the Department would be required to maintain odometer information.

§301.055

Creates an autocycle registration fee of \$10.00.

§301.130

Requires autocycles to be registered and issued one license plate to be displayed on the rear of the vehicle, either horizontally or vertically.

§301.142

Changes the provisions related to permanent disabled license plates and placards to require surrender of disabled license plates or placard within thirty days under certain circumstances.

ASSUMPTION (continued)

Changes the physician's statement requirement for disabled license plates and permanent disabled placards from every four years to every eight years.

§301.350

Creates a category for autocycles in the current motor vehicle record keeping provisions.

§302.170.3(5)

Allows the Department to retain documents submitted by a commercial driver's license applicant who is active duty or retired military if the documents allow for waiver of the commercial driver's license knowledge test, skills test, or both.

§302.173.4

Allows individuals who have completed an approved Missouri Motorcycle Rider Training Course (MRTC) to obtain a motorcycle or motortricycle license or endorsement without the requirement of the practical knowledge or driving test for one year from the date of course completion.

§302.173.5

Allows individuals who have completed an approved military motorcycle rider training course to obtain a motorcycle or motortricycle license or endorsement without the requirement of the practical knowledge or driving test for one year from the date of course completion.

§302.174

Replaces the phrase and definition of "hearing-impaired" with the phrase and definition for "hard of hearing person".

- Changes the notation on a driver license from "J88" to "DHH".
- Allows the Department to use the phrase "deaf or hard of hearing" in lieu of the notation "DHH" on a driver's license.

§302.205.1

Allows any resident of Missouri may elect to have a medical alert notation placed on their driver license to alert medical responders that the person is carrying a separate emergency medical card.

§302.205.2

Allows the Director of the Department of Revenue to promulgate any necessary rules and regulations for the administration of these provisions.

ASSUMPTION (continued)

§302.720.2(5)

Allows the Department to waive the knowledge and driving skills tests for any qualified military applicant for a commercial driver's license who is currently licensed at the time of application for a commercial driver's license.

§302.720.2(5)(f)

Extends the time frame from ninety days to one year for the applicant to comply with the provisions of eligibility that requires the individual to certify that they have been employed in a qualifying military position.

§302.720.2(5) (j)

Allows an exception to allow waiver of the commercial driver license knowledge and skills test, upon submission and retention of proof of completion of an approved military course.

§304.005

Allows persons riding or operating an autocycle to not be required to wear protective headgear.

§306.030.12

The first two million dollars collected from boat title and registration fees will be deposited into the state general revenue fund for all fiscal years ending before July 1, 2019.

§306.030.13

Reduces the amount deposited into the state general revenue fund from two million dollars to one million dollars annually beginning July 1, 2019. Any amount in excess of the first one million dollars collected shall be deposited into the water patrol division fund.

§306.126.1

Adds vessels propelled by jet motors or propellers operating on a stretch of waterway not created or widened by impoundment to be excluded from the provisions of this section.

Administrative Impact

The proposed legislation allows for issuance of a new "autocycle" registration at a fee of \$10.00. Currently, motor vehicles that are considered "autocycles" are issued a motortricycle registration and plate at a fee of \$10.00.

ASSUMPTION (continued)

Administrative Impact (continued)

The Department will be required to create new registration license plate category codes for the kind of vehicle (KOV) of "autocycle" which includes stock, stock personalized, and stock disabled license plates.

To implement the proposed legislation, the Department will be required to:

- Work with MSHP to modify the Missouri driver guide to include the new definition of autocycle and information exempting operators or passengers of autocycles from wearing protective headgear (online and printed versions);
- Work with MSHP to modify the motorcycle manual to include the information exempting operators or passengers of autocycles from wearing protective headgear;
- Update the Application for Missouri Title and License (DOR-108);
- Update the Application for Motor Vehicle License (DOR-184);
- Update the Application for Missouri Military License Plates (DOR-4601);
- Update the Application for Missouri Personalized and Special License Plates (DOR-1716);
- Update registration fee charts;
- Develop new plate type codes; and
- Update procedures, the Department website, and correspondence letters;
- Update the Physicians Statement for Disabled Person Plates/Placards (DOR-1776);
- Update the Application for Disabled Person Placard (DOR-2769);
- Update the Uniform License Issuance Manual;
- Update the Missouri Driver Guide;
- Update the Commercial Driver License Manual;
- Update the Motorcycle Operator Guide;
- Update the Military Skills Test Waiver Application (DOR-5140);
- Update the Missouri Electronic Driver License system to allow imaging of documents;
- Submit request to the license vendor for modification to the current design and printing process for driver license, nondriver license, and permit documents to update the driver license notation to "DHH" and to add the medical symbol/alert notation on the back of the license;
- Use a notation of a medical symbol/alert to be placed on the back of the license with other optional indicators since currently there is not enough available space on the front of the card with the current card design;
- Complete testing with factory print facility for the updated notation for card printing;
- Update the driver license brochure to include all current Missouri driver license, nondriver license, and permit documents; and

ASSUMPTION (continued)

Administrative Impact (continued)

- Update the current rule 12 CSR 10-24.470;
- Create a new rule for requirements for the medical alert notation;
- Modify related rejection verbiage; and
- Complete programming and user acceptance testing for required systems.

FY 2019 - Motor Vehicle Bureau

Management Analysis Spec I	970 hrs. @ \$18.42 per hr.	= \$ 17,867
Administrative Analyst III	10 hrs. @ \$19.43 per hr.	= \$ 194
Total		= \$ 18,061

FY 2019 - Driver License Bureau

Management Analysis Spec II	855 hrs. @ \$20.57 per hr.	= \$ 17,587
Administrative Analyst II	680 hrs. @ \$17.13 per hr.	= \$ 11,648
Revenue Manager Band I	340 hrs. @ \$25.05 per hr.	= \$ 8,517
Total		= \$ 37,752

FY 2019 - Personnel Services Bureau

Administrative Analyst III	165 hrs. @ \$19.43 per hr.	= \$ 3,206
Management Analysis Spec I	310 hrs. @ \$18.42 per hr.	= \$ 5,710
Total		= \$ 8,916

Total Cost **\$ 64,729**

Vendor Costs

Estimated license vendor cost to modify card design and to update the driver license notation is **\$28,000**.

OA-ITSD services will be required at a cost of **\$88,533** (1,180.44 hours @ \$75 per hour) in FY 2019.

Oversight assumes DOR is provided with core funding to handle a certain amount of activity each year. Oversight assumes DOR could absorb some of the costs related to this proposal; therefore, Oversight will reflect a fiscal impact of \$116,533 for IT services and vendor costs in FY 2019.

ASSUMPTION (continued)

Revenue Impact

DOR notes there are approximately 148 military waiver applicants annually. The knowledge test fee is \$25. This proposal waives that fee, which will result in a loss of approximately \$3,700 per year. The loss of \$3,700 is distributed to the Highway Fund, Cities and Counties.

Oversight notes this will have a minimal impact on the Highway Fund, cities and counties as the revenue loss is not substantial.

Officials from the **Department of Economic Development - Office of Public Counsel, Department of Economic Development - Public Service Commission, Department of Economic Development - Division of Energy, Office of the State Courts Administrator, Department of Corrections, Department of Elementary and Secondary Education, Office of the State Public Defender, Department of Agriculture, State Tax Commission, Department of Natural Resources,** and the **City of Kansas City** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Office of the Secretary of State (SOS)** assume 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 **Joint Committee on Administrative Rules** state that the proposal is not anticipated to cause a fiscal impact to their agency beyond its current appropriation.

ASSUMPTION (continued)

§§108.120 and 137.555

In response to a similar proposal from 2018 (SB 956), officials at the **City of Liberty** stated while it is difficult to calculate the amount of fiscal impact to the City, by modifying the road district levy capacity of Clay County, it would allow for additional road infrastructure support to local cities and road districts. As the cities grow in Clay County and the increased amount of incorporated area that they must support, there is a greater monetary demand placed on the cities. At the same time, the requirements for Clay County decreases. This legislation would assist in needed support.

In response to a similar proposal from 2018 (SB 956), officials at the **Callaway County Commission** assumed this legislation could have a positive fiscal impact on their County.

Officials at the **Missouri Department of Transportation (MoDOT)** assume no fiscal impact from this proposal.

Officials from the **City of Kansas City** assume the provisions in Section 137.555 may have a positive fiscal impact.

In response to a similar proposal from 2018 (SB 956), officials at **Boone County** assumed no fiscal impact from this proposal.

Oversight assumes from this proposal that allowing other political subdivisions to contract with counties and share in the proceeds from bonds to modify the transportation infrastructure of the local political subdivisions would have an unknown positive fiscal impact. Therefore, Oversight will reflect a \$0 (if no contract) or a positive unknown (if there is a contract) fiscal impact for this proposal.

§227.240

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

In response to a similar proposal from 2018 (SCS for SB 598), officials from the **Department of Economic Development - Public Service Commission, Department of Economic Development - Office of Public Counsel and Department of Economic Development - Division of Energy** each assumed the proposal would have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

§§227.538, 227.539, 227.540, 227.541, 227.542 and 227.544 - Memorial Highways

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

§263.245

In response to a similar proposal from 2018 (HCS for SS #2 for SCS For SB 1050), officials at the **Missouri Department of Transportation, Department of Agriculture, Department of Public Safety's - Office of the Director, Office of Prosecution Services and State Tax Commission** each assumed no fiscal impact to their respective agencies from this proposal.

In response to a similar proposal from 2018 (HB 1646), officials at the **Platte County Board of Election Commissioners and Chariton County** each assumed no fiscal impact to their respective entities from this proposal.

In response to a similar proposal from 2108 (SB 657), officials at **Linn County** assumed a positive impact from this proposal. Linn County could not ascertain an amount for this proposal but this proposal would make it easier to collect the brush removal expense.

In response to a similar proposal from 2108 (SB 657), officials at **Daviess County** assumed no fiscal impact from this proposal.

Oversight assumes this proposal would allow for easier collection of a special tax because expenses charged against a tract of land by the county will be due on the landowner's real and personal property tax assessments. Oversight also assumes this proposal would have no local fiscal impact without action by the governing body and approval by the majority of voters. Therefore, Oversight will show no direct fiscal impact for this proposal.

§292.606

In response to a similar proposal from 2018 (SB 626), officials from the **Department of Public Safety - State Emergency Management Agency (SEMA)** stated this proposal is the continuation of previously passed legislation that funds programs at the local and state levels for the prevention, planning and response to hazardous material (HAZMAT) incidents. Funding collected from HAZMAT facility Tier II fees provides training and resources for first responders as well as local emergency response officials working as part of a Local Emergency Planning Committee (LEPC). Below is a more detailed description of the program.

ASSUMPTION (continued)

The Missouri Emergency Response Commission (MERC) was first established in 1987 by Executive Order of the Governor and was later established under statute in 1988 and revised in 1992. The commission resides under the Missouri Department of Public Safety (SEMA).

Businesses and facilities are required to annually submit Tier II forms under Section 312 of the federal Emergency Planning and Community Right-To-Know Act of 1986 (EPCRA). The purpose of this form is to provide State, local officials, and the public with specific information on potential hazards. This includes the locations, as well as the amount, of hazardous chemicals present at a facility during the previous calendar year.

Funds are received by MERC, processed and reallocated back to the local jurisdiction. Ten percent (10%) is allocated to the State Fire Marshall's office to be utilized for HAZMAT training of local responders. Sixty-five percent (65%) is returned to the counties, and twenty-five percent (25%) is retained by the MERC for administrative fees, LEPC planning and training on a state-wide level.

The state fund is a restricted revenue account used to carry out the purposes, goals and objectives of SARA Title III and the MERC hazardous material safety program. It consists of several different fee structures with those being as low as \$50 for a retail petroleum facility to \$100 per chemical to a maximum of \$10,000 per company. There is also a fee requirement for pipeline companies of \$250 per county that they travel.

Division 10, Chapter 11 of the Rules of Public Safety title 11 CSR 10-11.210 established a statewide hazardous materials safety program, created the Missouri Emergency Response Commission (MERC) and provided for the creation of Hazardous Materials Emergency Response accounts in each county. It also created a supplemental emergency preparedness funding base for chemical emergency preparedness at the county and state levels based upon the fees collected from facilities.

These fees enable the LEPC to prepare offsite response plans, acquire response team equipment, develop public "Right-to-Know" education programs, conduct chemical industry awareness and compliance programs, and conduct relevant training, drills and exercises.

In response to a similar proposal from 2018 (SB 626), officials from the **Department of Public Safety - Division of Fire Safety** stated this proposed legislation extends the sunset of the hazardous waste fees paid to the Missouri Emergency Response Commission and deposits those monies into the Chemical Emergency Preparedness Fund.

ASSUMPTION (continued)

By statute, the Missouri Division of Fire Safety is appropriated 10% of the fees collected, up to \$100,000 annually. Those fees average \$80,000.

The Division of Fire Safety uses this appropriation to contract with various fire fighter training partners to provide hazardous materials training each year. In FY16, the Division of Fire Safety expended \$81,000 to provide 31 hazardous materials related classes to 1,281 fire fighters across the state. In FY17 the Division of Fire Safety expended \$81,693 to provide 33 hazardous materials related classes to 1,253 fire fighters across the state. In FY18, the Division of Fire Safety has contracted with two training partners for a total of \$79,642 to provide hazardous materials training to the fire fighters of our state. It is projected similar course and student enrollment numbers will result.

In response to a similar proposal from 2018 (SB 626), officials from the **Department of Natural Resources** assumed the proposal would not fiscally impact their organization.

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

Oversight notes that Section 292.604, RSMo states that “fees collected by the commission under Section 292.606 shall be placed in the chemical emergency preparedness fund.” According to the Fiscal Year End Fund Activity report from the Office of the State Treasurer, the receipts into the Chemical Emergency Preparedness Fund (0587) for the last three fiscal years have been:

FY 2017	\$891,355
FY 2016	\$879,050; and
FY 2015	\$823,746

Therefore, Oversight will assume an average annual collection of \$865,000 into the fund. The current statutes state the fees shall be collected “for a period of six years from August 28, 2012.”

Therefore, authority to collect the fees ends on August 28, 2018. The new language states that the fee shall be collected “for a period of six year from August 28, 2018.”

Oversight will reflect 10 months of fee collections in FY 2019 (August 28, 2018 - June 30, 2019) and a full year of fees in FY 2020 and FY 2021.

ASSUMPTION (continued)

As stated by DPS-SEMA, these funds are distributed to various state and local governmental agencies. For simplicity in the fiscal note, Oversight will only show the continuation of the funding into the state fund and not the annual distributions.

§301.3148

In response to a similar proposal from 2018 (Perfected HCS for HB 2274), officials from the **Department of Revenue (DOR)** assumed the proposal would have no fiscal impact on their organization.

Oversight notes that the Missouri DeMolay special license plate section (301.3148 RSMo) was added to statutes in 2004 (HB 1405). As of February 2, 2018, DOR reports that no specialty license plates with this emblem have been issued.

§304.005

Officials from the **Department of Health and Senior Services** assume changing the current legislation to no longer require individuals operating or riding in autocycles to wear protective headgear will increase the number of individuals incurring a traumatic brain injury, resulting in an increase in participants requesting services through the following programs: Adult Brain Injury (ABI), Children and Youth with Special Health Care Needs (CYSHCN), Healthy Children and Youth (HCY), and Medically Fragile Adult Waiver (MFAW).

The ABI program serves participants age 21 through 64 and the average annual cost per participant is \$3,737. Both the CYSHCN and HCY programs serve participants under the age of 21, with the average annual cost of \$730.05 per CYSHCN participant and \$24,970.82 per HCY participant. The MFAW program serves individuals 21 and older with an annual cost per participant of \$99,448.46. Also both HCY and MFAW are partially federally funded at 65.203 percent federal and 34.797 percent state Medicaid match (FY 2019 FMAP rate).

While the cost per participant is known, the lack of data specific to autocycle crash injuries and the use of protective headgear while operating or riding in an autocycle is unknown, resulting in an unknown negative fiscal impact to these Division of Community and Public Health programs.

ASSUMPTION (continued)

In response to a similar proposal from 2018 (Perfected HB 1389), officials from the **Department of Social Services** assumed there are two categories of individuals who could sustain severe traumatic brain injuries (TBI) which could result in increased MO HealthNet expenditures.

- 1) Individuals who are privately insured at the time of the accident, but sustain severe TBI and are unable to meet the higher premiums charged by private health insurance plans or are forced to spend down resources and become eligible for Medicaid because of their disability.
- 2) Individuals who are Medicaid recipients at the time of the accident and sustain severe TBI.

There is currently little information on the utilization of autocycles. In order to estimate the number of individuals who are Medicaid recipients at the time of an autocycle accident that also sustain TBI, Missouri Healthnet Division (MHD) used information provided by the Missouri State Highway Patrol on non-fatal motorcycle accidents. The Missouri State Highway Patrol reported 1,979 non-fatal injured persons resulting from motorcycle crashes in 2014.

For the purposes of this fiscal note MHD assumes 14% of the 1,979 are related to persons on autocycles or 277 injured persons. MHD assumes 95% of the injured persons were age 18 or older ($99 \times 95 = 94$) and all individuals were meeting the current state law requiring helmet use. Based on crash statistics from the National Highway Transportation and Safety Administration, 4.7% of helmeted motorcyclists involved in a crash suffered from severe TBI whereas 7.3% of unhelmeted motorcyclists suffered from severe TBI. Therefore, MHD assumes 6.8 persons sustained severe TBI injuries in 2014 (most current data available) as a result of crashes while wearing helmets and riding autocycles. The number of autocyclists is assumed to be a much lower percentage of the driving population than motorcyclists. Without specific information on autocyclists, MHD assumes the number of autocyclists is 14% of the number of motorcyclists. Therefore, it is estimated that 6.8 individuals will sustain severe TBI as a result of autocycle accidents with no helmets.

- 1) MHD assumes that of these 6.8 individuals, 30% will ultimately spend down their resources and qualify for Medicaid, and will be classified as totally and permanently disabled (PTD). MHD assumes that some individuals would qualify more quickly than others. MHD assumes that of those individuals with new TBIs, 15% would qualify within the first year, 22.5% would qualify within the second year, and 30% would ultimately qualify within three years. Based on these assumptions, MHD assumes 1 new PTD in FY 2019, 2.6 in FY 2020, and 4.6 in FY 2021.

In addition, MHD assumes that TBIs will be life-long injuries; therefore, the number of individuals being served under Medicaid will continue to compound.

ASSUMPTION (continued)

2) MHD further assumes that of the 6.8 individuals annually sustaining severe TBI as a result of autocycle TBI, 8.54% (based on current Medicaid recipients ages 18-64 divided by the general Missouri population ages 18-64) will be Medicaid recipients at the time of the accident, or .6 individuals.

Based on a 2013 report issued by the Arkansas Spinal Cord Commission, the average acute care Medicaid costs for TBI was \$15,783 (average from 2007-2012). This initial cost was inflated by a three year average Hospital Market Basket Trend from SFY 2010 through SFY 2017. Therefore, the initial hospitalization cost is estimated to be \$20,182 per person in FY 2019.

The one-time acute care costs are in addition to the annual cost to care for a person with TBI. The average cost for a custodial parent (based on FY 2017 expenditures) is \$5,732. MHD assumes annual expenditures will increase to the PTD level for an annual increase of \$10,047 per person sustaining a TBI. This amount is trended annually by 3.8%. MHD estimates the annual costs for caring for an individual with TBI will be \$2,009 ($\$10,047 * .2$ individuals each year).

The total annual cost for individuals who are Medicaid recipients at the time of the accident is \$6,045 ($\$4,036 + \$2,009$). MHD assumes that TBIs will be life-long injuries; therefore, the number of individuals being served under Medicaid will continue to compound.

In response to a similar proposal from 2018 (Perfectured HB 1389), officials from the **Department of Mental Health (DMH)** assumed this proposal would allow that a person operating or riding in an autocycle shall not be required to wear protective headgear. The term "autocycle" is defined in the proposed legislation as a three-wheeled motor vehicle which the drivers and passengers ride in a partially or completely enclosed nonstraddle seating area, that is designed to be controlled with a steering wheels and pedals, and that has met applicable Department of Transportation National Highway Traffic Safety Administration requirements or Federal Motorcycle Safety Standards.

The term "autocycle" is also added to the following Sections in the bill: 301.020-Application for registration of motor vehicles, 301.055-Annual registration fees, 301.130-License plates, and 301.350-Books and records.

Section 304.005 would allow that a person operating or riding in an autocycle shall not be required to wear protective headgear.

ASSUMPTION (continued)

Currently, the Division of Developmental Disability (DD) waiver programs eligibility requirements mandate that a diagnosis of developmental disability be assigned prior to the age of 22 for inclusion into a waiver program, except for an intellectual disability, which must be assigned prior to the age of 18. This proposal would allow for expansion of the number of eligible DD Medicaid Waiver participants, in that riders 16 to 21 years of age could sustain a traumatic brain injury (TBI) while operating or riding in an autocycle without protective headgear, thereby potentially qualifying them for DD waiver services.

DD estimates an average cost per day of \$380 (\$138,700 / yr.) for residential services. Utilizing the methodology below, it is estimated that an increased cost of \$1,254,838 per year could occur. This estimate could also rise and fall based on the federal FMAP for DMH Medicaid waiver services.

Data from the Missouri State Highway Patrol, United States Census Bureau, Centers for Disease Control, and fiscal data from the Division of Developmental Disabilities were utilized to arrive at an estimated fiscal impact.

For this analysis, the DMH assumes riders sixteen to twenty one years of age may elect to not wear protective headgear given Section 304.005.2's language.

Data from the Missouri State Highway Patrol includes three wheel vehicles but not mopeds or all-terrain vehicles (ATVs). It appears the statistics used do include three wheel vehicles and therefore, it is assumed autocycle is included in this data.

Crash Rates

The Missouri State Highway Patrol reports 1,683 personal injury motorcycle crashes in 2005, injuring 1,978 people. By 2012, those figures had risen to 2,065 and 2,404 respectively (Missouri State Highway Patrol, 2014).

The State's eight-year average for motorcycle crashes between 2005 and 2012 is 1,854 and 2,165 for persons injured (Missouri State Highway Patrol, 2014). In 2011 and 2012, the number of crashes increased 9% over each preceding year.

Based on available data, projections indicate Missouri will have experienced an average of 2,148 motorcycle crash injuries per year between 2016 and 2020.

ASSUMPTION (continued)

State Demographics

The United States Census Bureau estimates that in 2016 the percentage of persons aged 16 to 21 years old residing in Missouri comprised 7.9% of the total state population, or 481,254 persons out of 6,093,000 (US Census Bureau, release date June 2017).

Head Injury Rate of Occurrence

The Centers for Disease Control reports an incidence rate for head injury requiring hospitalization of 81.2 per 100,000 people aged 16 to 22 (Centers for Disease Control, 2014). Comparing this data to the census data previously discussed yields an estimate of 391 persons aged 16 to 21 per year in Missouri who will experience a head injury requiring hospitalization (persons aged 16 to 21 in MO / CDC unit of measurement x CDC incidence rate).

DD Community Placements & Cost Estimate

In 2017, the Division of DD admitted 66 individuals with head injuries.

DD estimates an average cost per day of \$380 (\$138,700/yr.) for residential services. The state share of this cost in FY 2019 is \$48,263 (\$138,700 x 34.797% state share = \$48,263).

Estimated Annual Fiscal Impact-

Assuming a 15% rate of TBI incidence due to autocycle crashes for each year between 2018 and 2022 for individuals aged 16 to 21 in Missouri, a total of 130 additional individuals or 26 people per year could become eligible for DD waiver services.

Utilizing the Division of DD's cost estimates for FY 2019, this represents an annual increased cost to the DMH of \$1,254,838 of general revenue per year (\$48,263 x 26 = \$1,254,838).

Oversight assumes some people 18 and over could choose not to wear protective headgear as a result of this proposal. Accordingly, there may be an increase in injuries or the severity of injuries to autocyclists not wearing protective headgear which may **indirectly** result in increased costs to the state. Oversight assumes no **direct** fiscal impact to state and local governments from the protective headgear exemption.

Oversight also assumes the Department of Health and Senior Services and the Department of Mental Health will request increased appropriations depending on the actual increases in TBI paid for by the state.

ASSUMPTION (continued)

In response to a similar proposal from 2018 (Perfected HB 1389), officials from the **Department of Public Safety - Missouri Highway Patrol** assumed the proposal would have no fiscal impact on their organization.

§304.060

Oversight notes this section allows school boards in urban districts with greater than 300,000 inhabitants the option to contract with other agencies for additional transportation services to transport high school students.

Officials from the **Department of Elementary and Secondary Education** assume the proposal will have no fiscal impact on their organization.

§304.180

In response to a similar proposal from 2018 (SB 683), officials from the **Department of Transportation (MoDOT)** assumed the proposal would have an unknown fiscal impact on their organization.

The base fee for a single trip permit for cranes, concrete pumps and well drilling equipment is \$15. If the load is overweight, the charge is the base fee of \$15, plus \$20 for each 10,000 lbs. or portion thereof over legal gross weight for the particular configuration. The fee for an annual blanket for concrete pump or well drilling equipment is \$300. Blanket permits are pro-rated quarterly. Below is a chart showing the number of permits issued and the total fees collected for the period of November 1, 2016 through November 30, 2017.

Type	Total Number of Permits Issued	Total Fees Collected
Concrete Pump (single trip and blanket permits)	449	\$200,361
Well Drilling Equipment (blanket*)	19	\$3,391
Crane (single trip)	7,096	\$726,384
Total	7,564	\$930,136

* No single trip permits for well drilling equipment were issued.

ASSUMPTION (continued)

The fiscal impact of this proposal is unknown at this time due to the following reasons:

- The price of the blanket permit for cranes will not be determined until after the bill passes, as the bill leaves this up to the Highways and Transportation Commission.
- The parameters of the size, weight and dimensions of which cranes will be allowed to purchase blanket permits is unknown until the bill passes and the parameters are decided upon. Some cranes will be of a size or weight that will most likely require individual trip permits and others can obtain the yearly blanket permit.

In response to a similar proposal from 2018 (SB 683), officials from the **Department of Revenue** and **Office of Administration - Facilities Management, Design and Construction** each assumed the proposal would have no fiscal impact on their respective organizations.

§304.232

In response to a similar proposal from 2018 (HCS for SS #2 for SCS for SB 1050), officials from the **Department of Transportation** assumed this amendment would affect the Motor Carrier Assistance Program (MCSAP) grant program with the Federal Government.

Non-compliance with it, as this amendment possibly causes, would result in a loss of approximately \$8 million in federal funds used to conduct roadside inspections, plus compliance audits within MoDOT's Motor Carrier Services Division. MoDOT awaits response from the federal government regarding the safety inspection restriction.

MoDOT receives approximately \$8 million per year in MCSAP funds, much of which goes to law enforcement agencies.

Oversight will range the fiscal impact of this amendment from \$0 (Missouri not out of compliance with federal motor carrier regulations) to a loss of up to \$8 million each fiscal year (if Missouri is found to be out of compliance with federal motor carrier regulations).

§306.030

In response to a similar proposal from 2018 (Perfecting HCS for HB 1300), officials from the **Office of Administration - Budget and Planning (B&P)** stated currently, the first \$2 million in boat title and registration fees is deposited into General Revenue. Any collections beyond \$2 million is deposited into the Water Patrol Fund.

ASSUMPTION (continued)

This legislation would reduce the \$2 million trigger to \$1 million, starting in FY 20. The Department of Public Safety stated there has always been an excess of \$2 million collected in recent years; therefore, the proposal would cause a shift of \$1 million per year from General Revenue to the Water Patrol Fund.

Officials from the **Department of Revenue** state the proposed legislation would result in a \$1,000,000 reduction of revenue deposited into the General Revenue Fund, and an increase in the amount of revenue deposited into the Water Patrol Division Fund by \$1,000,000 beginning July 1, 2019.

In response to a similar proposal from 2018 (Perfecting HCS for HB 1300), officials from the **Department of Public Safety - Missouri Highway Patrol** assumed no fiscal impact from the proposal.

Oversight notes that the original shift in funding from the General Revenue Fund to a new Missouri State Water Patrol Fund (0400) was enacted in SB 778 in 2006. Also in that bill, boat licensing fees were raised from \$10, \$20, \$30 and \$40 to \$25, \$55, \$100, and \$150 respectively, depending upon the length of the vessel.

According to the fund description from the Office of the State Treasurer, Oversight believes this transfer is the only funding source into the State Water Patrol Fund. During the past four years, the Missouri State Water Patrol Fund has had the following receipts into the fund:

FY 2017	\$2,901,729
FY 2016	\$2,661,931
FY 2015	\$2,768,015
FY 2014	\$2,962,600

The balance of the fund on December 31, 2017 was \$515,714.

Oversight notes the House Committee Substitute changes the effective date of the change to all years beginning on or after July 1, 2019 (FY 2020).

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Cost</u> - DOR - IT services p.7	(\$88,533)	\$0	\$0
<u>Cost</u> - DOR - Vendor costs (§302.174) p. 7	(\$28,000)	\$0	\$0
<u>Loss</u> - lowering threshold from \$2 million to \$1 million - after which moneys will go to the Missouri State Water Patrol Fund instead of the General Revenue Fund (§306.030) p. 19-20	<u>\$0</u>	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$116,533)</u>	<u>(\$1,000,000)</u>	<u>(\$1,000,000)</u>
CHEMICAL EMERGENCY PREPAREDNESS FUND			
<u>Income</u> - extension of fee collecting authority from 8/28/18 to 8/28/2024 (§292.606) p. 10-12	<u>\$720,833</u>	<u>\$860,000</u>	<u>\$860,000</u>
ESTIMATED NET EFFECT TO THE CHEMICAL EMERGENCY PREPAREDNESS FUND	<u>\$720,833</u>	<u>\$860,000</u>	<u>\$860,000</u>
HIGHWAY FUND			
<u>Loss</u> - decreased revenue from waiving the CDL knowledge test for military members (§§302.170, 302.173 and 302.720) p. 8	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
ESTIMATED NET EFFECT ON THE HIGHWAY FUND	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>

<u>FISCAL IMPACT - State Government</u> (continued)	FY 2019 (10 Mo.)	FY 2020	FY 2021
MISSOURI STATE WATER PATROL FUND			
<u>Income</u> - lowering threshold from \$2 million to \$1 million - after which moneys will go to the Missouri State Water Patrol Fund instead of the General Revenue Fund (§306.030) p. 19-20	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>
ESTIMATED NET EFFECT TO THE MISSOURI STATE WATER PATROL FUND	<u>\$0</u>	<u>\$1,000,000</u>	<u>\$1,000,000</u>
STATE ROAD FUND			
<u>Revenue</u> - MoDOT - addition of annual permits for construction cranes (§304.180) p. 18-19	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
ESTIMATED NET EFFECT ON THE STATE ROAD FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
FEDERAL MOTOR CARRIER ASSISTANCE PROGRAM FUNDS			
<u>Loss</u> - MoDOT - Missouri potentially out of compliance with federal motor carrier regulations (§304.232) p. 19	<u>\$0 or (Up to \$8,000,000)</u>	<u>\$0 or (Up to \$8,000,000)</u>	<u>\$0 or (Up to \$8,000,000)</u>
ESTIMATED NET EFFECT ON FEDERAL MOTOR CARRIER ASSISTANCE PROGRAM FUNDS	<u>\$0 or (Up to \$8,000,000)</u>	<u>\$0 or (Up to \$8,000,000)</u>	<u>\$0 or (Up to \$8,000,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost Avoidance</u> - Local Political Subdivisions - contracting with counties and sharing in transportation infrastructure financing (§§108.120 and 137.555) p. 9	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Loss</u> - Cities (15%) decreased revenue from waiving the CDL knowledge test for military members (§§302.170, 302.173 and 302.720) p. 8	(Minimal)	(Minimal)	(Minimal)
<u>Loss</u> - Counties (10%) decreased revenue from waiving the CDL knowledge test for military members (§§302.170, 302.173 and 302.720) p. 8	<u>(Minimal)</u>	<u>(Minimal)</u>	<u>(Minimal)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>(Minimal) or Unknown</u>	<u>(Minimal) or Unknown</u>	<u>(Minimal) or Unknown</u>

FISCAL IMPACT - Small Business

Some small businesses will continue to pay an existing fee from this proposal (§292.606).

Small crane businesses could be impacted by this proposal (§304.180).

FISCAL DESCRIPTION

This bill removes requirements that money in the Road Bond Construction Fund and Special Road and Bridge Fund be used only on roads that are continuous through a political subdivision, and specifies that counties may contract with political subdivisions to share the bond proceeds for authorized purposes (§§108.120 and 137.555).

This bill requires that the Department of Transportation utility corridor be up to 12 feet wide when space is reasonably available.

FISCAL DESCRIPTION (continued)

The location, construction, maintenance, removal, and relocation of any utility facility under this bill shall be performed in accordance with existing law. This bill also requires the State Highways and Transportation Commission to promulgate rules setting forth a standardized system for requesting and issuing variances to certain requirements (§227.240).

This bill states that one purpose of the brush control law is to prevent brush from interfering with vehicles traveling on the road. If the county is required to take action to control the brush because the owner fails to do so, the county will extend the costs as a special tax due on the landowner's real and personal property tax assessment and collected in the same manner as state and county taxes. Notice that must be provided to the landowner of these requirements can be given in writing using any mail service with delivery tracking. The county right-of-way or county maintenance easement will be deemed to extend 15 feet from the center of the county road or at a distance set forth in the original conveyance. The center of the road will be a point equidistant from both edges of the drivable ground of the road in its current condition. In the event a county is required to obtain a land survey to enforce these provisions, the costs of the survey will be divided equally between the county and the land owner (§263.245).

Under current law, certain provisions relating to fees collected relating to the transportation and delivery of petroleum products are due to expire on August 28, 2018. This bill extends this expiration date to August 28, 2024 (§292.606).

This bill exempts those who originally provided a physician statement as proof of a permanent disability from the need to provide additional physician statements to renew license plates or placards (§304.142).

This bill creates a registration framework specific to autocycles, as defined in the bill, and adds straddle-type seating and handlebar-based controls to the definition of motortricycle. The bill specifies that autocycles registered as motorcycles or motortricycles prior to August 20, 2018, shall remain in effect until their expiration, after which time the vehicles must be registered as autocycles (§§301.010, 301.020, 301.055, 301.130 and 301.350).

This bill specifies that the Department of Revenue may retain documents submitted by a commercial driver's license applicant who is active duty or retired military if the documents allow for waiver of the commercial driver's license knowledge test, skills test, or both (§302.170).

Currently, completion of a civilian or military motorcycle rider training course qualifies a license applicant for a waiver of the driving test requirement.

FISCAL DESCRIPTION (continued)

This bill expands the waiver to include the practical knowledge test, and specifies that course completion shall be accepted for purposes of motorcycle license or endorsement issuance for one year from the date of course completion (§302.173).

The Director of Revenue currently has the authority to waive the driving skills test for a commercial driver's license for qualified military applicants. This act allows the Director of Revenue to also waive the knowledge test. The bill lengthens, from 90 days to one year, how recently an applicant must have been employed in a qualifying military position in order to be eligible for the waivers (§302.720).

This bill includes individuals with hearing loss that impairs the capacity to discriminate ordinary speech in the class of persons eligible for a deaf or hard of hearing notation on their driver's license. The Missouri Commission for the Deaf and Hard of Hearing will make a video explaining the "DHH" notation and the right to receive it and the video will be posted in each driver's license office. The video is conducted in sign language and captioned in English. The Department of Revenue is allowed, but not mandated, to replace the "DHH" notation with the phrase "deaf or hard of hearing" on licenses (§302.174).

This bill provides that the Kansas City Public Schools school board may contract with any municipality, bi-state agency, or other governmental entity to transport high school children. The contract shall be for additional transportation services and shall not replace or fulfill any of the school district's obligations to transport students to and from school. The school district may notify students of the option to use district contracted transportation services (§304.060).

This bill provides that the Highways and Transportation Commission shall issue single-use special permits for or upon request of the equipment owner annual permits for the transportation of cranes. The Commission shall also set parameters for the transportation of cranes under this bill (§304.180).

Currently, the first \$2 million collected annually from boat title and registration fees is deposited into the State General Revenue Fund, with the remainder going to the Water Patrol Division of the State Highway Patrol. This bill changes that requirement to having the first \$1 million collected annually from boat title and registration fees be deposited into the State General Revenue Fund beginning July 1, 2019 (§306.030).

All fees collected in excess of that must be deposited into the Water Patrol Division Fund to be used exclusively for the Water Patrol Division of the State Highway Patrol (§306.030).

FISCAL DESCRIPTION (continued)

This bill specifies that the requirement for boat passengers to ride only within adequate guards or railing when underway shall not apply to vessels propelled by propellers or jet motors when such vessels are operating on a stretch of waterway not created or widened by impoundment (§306.126).

Currently, vehicles owned by a utility or by an entity performing work for the department of transportation may display fixed, flashing, or rotating lights under certain circumstances. This bill specifies that both vehicles and equipment may display the lights, whether owned or leased by their users. This bill specifies that no more than two vehicles per work zone may display fixed, flashing, or rotating red or red and blue lights. Under the bill, in order to display amber or amber and white lights, the vehicles or equipment shall be located in a marked work zone with workers present. This bill also removes the requirement that vehicles owned or leased by MODOT contractors be stationary to display the lights. The bill removes the State Highways and Transportation Commission's authority to issue and revoke permits for the use of sirens and blue lights (§307.175).

Section 307.175 contains an emergency clause.

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 Transportation
Department of Economic Development - Office of Public Counsel
Department of Economic Development - Public Service Commission
Department of Economic Development - Division of Energy
Department of Natural Resources
Department of Agriculture
Office of Prosecution Services
Office of Administration - Budget and Planning
Office of Administration - Facilities Management, Design and Construction
Office of the State Public Defender
Office of the State Courts Administrator
Department of Corrections
State Tax Commission
Office of the Secretary of State

SOURCES OF INFORMATION (continued)

Joint Committee on Administrative Rules
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Social Services
Department of Mental Health
Callaway County Commission
City of Liberty
Boone County
Platte County Board of Election Commissioners
Chariton County
Linn County
Department of Public Safety's - Office of the Director
Daviess County
Department of Public Safety - State Emergency Management Agency (SEMA)
Department of Public Safety - Division of Fire Safety

Ross Strobe



Acting Director
May 8, 2018