

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4224H.011  
 Bill No.: HB 1530  
 Subject: Motor Vehicles; Department of Revenue  
 Type: Original  
 Date: April 30, 2024

Bill Summary: This proposal modifies provisions relating to motor vehicle safety inspections.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Highway Fund (0644)	Unknown, Less than \$250,000	Unknown, Less than \$250,000	Unknown, Less than \$250,000
Highway Patrol Inspection Fund (0297)	Unknown, Less than \$250,000	Unknown, Less than \$250,000	Unknown, Less than \$250,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Unknown, Less than \$250,000</b>	<b>Unknown, Less than \$250,000</b>	<b>Unknown, Less than \$250,000</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

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

#### Administrative Impact

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

- Update the Missouri titling manual;
- Make changes to procedures, correspondence letters, forms, and the Department website;
- Provide License Offices and stakeholders these changes as applicable; and
- Train staff

#### FY 2025 - Motor Vehicle Bureau

Associate Research/Data Analyst 40 Hrs @ \$25.22 = \$1,009

Lead Admin Assistant 20 Hrs @ \$18.54 = \$371

Research/Data Analyst 10 Hrs @ \$27.00 = \$270

Administrative manager 5 Hrs @ \$29.31 = \$146

#### FY 2025 - Strategy and Communications Office

Associate Research/Data Analyst 10 Hrs @ \$21.64 = \$216

Total Cost = **\$2,012**

The Department anticipates that they will be able to absorb these costs and that there will be minimal impact. If multiple bills are passed that require department resources, FTE may be requested through the appropriations process.

**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.

Officials from the **Missouri Highway Patrol (MHP)** assume the fiscal impact to the state of Missouri on vehicle inspections equates to \$1.50 per each additional used vehicle safety inspected prior to sale, with \$1.00 deposited into the Highway Fund (0644) and \$0.50 deposited into the Highway Patrol Inspection Fund (0297). It is unknown how many additional inspections, per year, would be conducted with this proposed legislation.

**Oversight** notes, this proposal requires a motor vehicle safety inspection be provided to the purchaser, unless the vehicle has less than 50,000 miles within three years of its model year. Oversight is unable to determine how many more vehicles will require a safety inspection as a result of this proposal; therefore, Oversight will reflect an “Unknown, but less than \$250,000” fiscal impact to the Highway Fund and the Highway Patrol Inspection Fund.

Officials from the **Missouri Department of Transportation** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for MoDOT.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
<b>HIGHWAY FUND</b>			
<u>Revenue – MHP – increase in the number of inspections (\$1 per)</u>	<u>Unknown, Less than \$250,000</u>	<u>Unknown, Less than \$250,000</u>	<u>Unknown, Less than \$250,000</u>
<b>ESTIMATED NET EFFECT ON THE HIGHWAY FUND</b>	<b><u>Unknown, Less than \$250,000</u></b>	<b><u>Unknown, Less than \$250,000</u></b>	<b><u>Unknown, Less than \$250,000</u></b>
<b>HIGHWAY PATROL INSPECTION FUND</b>			
<u>Revenue – MHP – increase in the number of inspections (\$0.50 per)</u>	<u>Unknown, Less than \$250,000</u>	<u>Unknown, Less than \$250,000</u>	<u>Unknown, Less than \$250,000</u>
<b>ESTIMATED NET EFFECT ON THE HIGHWAY PATROL INSPECTION FUND</b>	<b><u>Unknown, Less than \$250,000</u></b>	<b><u>Unknown, Less than \$250,000</u></b>	<b><u>Unknown, Less than \$250,000</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

Small businesses that provide motor vehicle inspections could be impacted by this proposal.

FISCAL DESCRIPTION

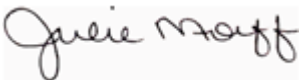
This bill provides that safety inspections required by law may be made by employees of a licensed new or used motor vehicle dealer for motor vehicles having fewer than 50,000 miles, for the three year period following the motor vehicle's model year of manufacture, and the same fee will be collected as for an inspection station.

The bill also requires that a seller must provide a buyer with a safety inspection obtained not more than sixty days before a sale, and the buyer must include the inspection form when applying for registration of the vehicle. This inspection is not required on a vehicle having fewer than 50,000 miles, for the three-year period following the motor vehicle's model year of manufacture.

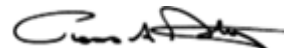
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Missouri Highway Patrol  
Missouri Department of Transportation



Julie Morff  
Director  
April 30, 2024



Ross Strobe  
Assistant Director  
April 30, 2024