

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4116H.01I
 Bill No.: HB 1416
 Subject: Transportation; State Departments; Motor Vehicles; Roads and Highways; Motor Fuel
 Type: Original
 Date: February 4, 2024

Bill Summary: This proposal establishes the Light Detection & Ranging Technology Security Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue*	(Unknown)	\$0	\$0
Total Estimated Net Effect on General Revenue	(Unknown)	\$0	\$0

*Oversight assumes the reimbursement to political subdivisions of prohibited LIDAR equipment as allowed in §1.2005.5 could exceed \$250,000. Oversight assumes this reimbursement would only occur in FY 2025.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

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

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

- 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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government*	\$0	\$0	\$0

*Income and costs net to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Administrative Hearing Commission, Office of Administration - Budget and Planning, Department of Commerce and Insurance, Department of Economic Development, Department of Elementary and Secondary Education, Department of Higher Education and Workforce Development, Department of Health and Senior Services, Department of Mental Health, Department of Natural Resources, Department of Corrections, Department of Labor and Industrial Relations, Department of Revenue, Division of Alcohol and Tobacco Control, Capitol Police, Fire Safety Division, Department of Public Safety – Director’s Office, Gaming Commission, Missouri Highway Patrol, State Emergency Management Agency, Department of Social Services, Office of the Governor, Missouri Department of Conservation, Missouri Ethics Commission, Missouri Department of Transportation, Missouri National Guard, MoDOT & Patrol Employees’ Retirement System, Petroleum Storage Tank Insurance Fund, Office of the State Public Defender, Office of the State Treasurer, Lottery, Missouri Consolidated Health Care Plan, Missouri State Employee's Retirement System, State Tax Commission, Missouri Office of Prosecution Services and University of Missouri** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Officials from the **Office of Administration (OA)** assume there will be no fiscal impact.

Oversight inquired of OA in regards to §1.2005.5 which requires OA to reimburse any agency or political subdivision for the cost of prohibited LIDAR equipment. Oversight had not heard back from OA at the time the fiscal note was published. Oversight assumes OA will incur costs from this proposal and will reflect the fiscal impact as “Unknown”. Oversight assumes the cost could exceed \$250,000. As the requests must be submitted to OA by December 1, 2024, Oversight assumes the reimbursements will only occur in FY 2025.

Officials from the **Missouri Veterans Commission (MVC)** assume vehicles that use cruise control use LIDAR to adjust speed for anti-collision purposes. MVC vehicles have to be approved through the Office of Administration; therefore, the MVC defers to the Office of Administration for the potential fiscal impact of this proposal.

Officials from the **Missouri Department of Agriculture** defer to the Office of Administration for the potential fiscal impact of this proposal.

Officials from the **Office of the State Courts Administrator (OSCA)** assume there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

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

Officials from the **City of Kansas City** and **City of Springfield** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other local political subdivisions were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note 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 \$5,000. 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 its 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.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE FUND			
<u>Cost</u> – OA – reimbursement of prohibited LIDAR equipment to political subdivisions	(Unknown)	\$0	\$0
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(Unknown)	\$0	\$0

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
LOCAL POLITICAL SUBDIVISIONS			
<u>Income</u> – reimbursement by OA of prohibited LIDAR equipment	Unknown	\$0	\$0
<u>Cost</u> – purchase of new equipment to replace prohibited LIDAR equipment	(Unknown)	\$0	\$0
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0	\$0	\$0

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This bill establishes the Light Detection and Ranging Technology Security Act of 2024.

"Light detection and ranging" (LIDAR) is a remote sensing method using the emission of laser light, often through pulsed lasers, to detect and measure the range of surrounding objects, often

for the purpose of producing real-time, high-resolution three dimensional maps of the physical environment surrounding the device that applies the LIDAR technology.

LIDAR technology includes devices that are commonly used in automation and smart infrastructure applications including automated vehicles, drones, port cranes, drawbridges, traffic signals, and security systems at airports and other sensitive sites.

The bill requires all state infrastructure located within or serving the state of Missouri to be constructed so as not to include any LIDAR equipment manufactured in or by, a company domiciled within a country of concern, as defined in the bill, or a company owned by such a company. This prohibition includes any equipment whose critical or necessary components are manufactured in or by a country of concern.

Before December 1, 2024, all LIDAR equipment prohibited under this bill that is in operation within or serving the state shall be removed and replaced with LIDAR equipment that is not prohibited under the bill. This restriction will not apply to infrastructure in the state that has been permanently disabled.

Agencies or political subdivisions responsible for covered infrastructure that includes prohibited LIDAR equipment may request a reimbursement from the Office of Administration for the original cost of prohibited LIDAR equipment, provided the request includes purchase orders and is submitted before December 1, 2024.

No procurements made by the state or a political subdivision of the state can include LIDAR equipment manufactured in or by a company domiciled within a country of concern, or a company owned by a company domiciled in a country of concern. This prohibition must include any procurements relating to the operation of autonomous vehicles in the state.

Beginning December 1, 2024, any certifications, licenses, and regulatory approvals concerning the approval, usage, or operation of autonomous vehicles in this state must require a prohibition against the installation or usage of LIDAR equipment manufactured in or by a company domiciled within a country of concern, or a company owned by a company domiciled within a country of concern.

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

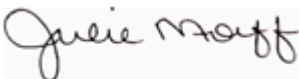
Office of Administration - Administrative Hearing Commission

Office of Administration - Budget and Planning


Department of Commerce and Insurance

Department of Economic Development

Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Labor and Industrial Relations
Department of Revenue
Division of Alcohol and Tobacco Control
Capitol Police
Fire Safety Division
Department of Public Safety – Director’s Office
Gaming Commission, Missouri Highway Patrol
State Emergency Management Agency
Department of Social Services
Office of the Governor
Missouri Department of Conservation
Missouri Ethics Commission
Missouri Department of Transportation
Missouri National Guard
MoDOT & Patrol Employees’ Retirement System
Office of Administration
Petroleum Storage Tank Insurance Fund
Office of the State Public Defender
Office of the State Treasurer
Lottery
Missouri Consolidated Health Care Plan
Missouri State Employee's Retirement System
State Tax Commission
University of Missouri
Office of the State Courts Administrator
Missouri Department of Agriculture
Missouri Veterans Commission
Office of the Secretary of State
Joint Committee on Administrative Rules
City of Kansas City
City of Springfield



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