

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3267-01
Bill No.: HB 1198
Subject: Enacts the dedication to donation act.
Type: Original
Date: January 22, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Highway	\$0	\$0	\$0
Organ Donor Program	\$286,080	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$286,080	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services, Office of State Courts Administrator, Office of Prosecution Services, Department of Economic Development - Professional Registration, Department of Elementary and Secondary Education, Department of Corrections, Office of State Public Defender, Department of Public Safety, and Office of Attorney General** assume the proposed legislation will not fiscally impact their organizations.

Officials from the **Office of the Secretary of State (SOS)** state this bill enacts the dedication to donation act to provide for an anatomical gift. The Department of Revenue and the Department of Social Services may promulgate rules to implement the organ donor requirements. Based on experience with other divisions, the rules, regulations and forms issued by the Department could require as many as 10 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the numbers given. The fiscal impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn. The SOS estimates the cost of this legislation to be \$615 [(10 pp x \$27) + (15 pp x \$23)].

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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Missouri Highway Patrol (MHP)** stated the MHP anticipates no fiscal impact. However, this bill would increase the monetary donation a person may make when obtaining or renewing his or her driver's license from one dollar to two dollars. The money deposited into general revenue to be used as outlined in Sections 194.297 to 194.304, RSMo, would affect total state revenue.

Officials from the **Department of Health and Senior Services (DOH)** stated the Organ Donor Program is in the final stages on testing and implementing Internet access for the authorized users. The costs of the subsequent report would be less than \$1,000 and would be absorbed by the existing organ donor program budget; therefore, this legislation would be cost neutral.

ASSUMPTION (continued)

The DOH officials also stated the potential increase in voluntary contributions would offset the notable decrease in funding to the Organ Donor Program, which is not currently meeting the annual spending authority. In 1999 and 2000, the average monthly income to the Organ Donor Fund was \$34,252. In 2001, the average monthly contributions are \$26,860. All voluntary contributions would be held in the Organ Donor Fund. The annual appropriated spending authority will remain the same.

Officials from the **Department of Revenue (DOR)** assume the following administrative and fiscal impacts:

ADMINISTRATIVE IMPACT

Division of Motor Vehicle and Drivers Licensing

The Division of Motor Vehicle and Drivers Licensing will be required to modify the over-the-counter driver licensing system in order to accept the new \$2.00 donations. An estimated 275 hours of contracted programming is need for this modification.

275	Estimated Contracted Programming Hours
x \$100	Contracted Programming Hourly Rate
\$27,500	Total Programming Costs

To implement this legislation, the DOR will require additional funds. This year highway finds may not be available for this purpose as a result of legislation enacted by the General Assembly in 2000 that limits the use of highway funds.

If highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

REVENUE IMPACT

Organ Donor Program Fund

This legislation allows applicants for a drivers license to make a \$2.00 donation to the Organ Donor Program Fund.

We assume the increased donations will affect FY 2003 only, as this is the last year of a three year transition to a six year license issuance program. We expect this proposal to be revenue neutral in FY 2004.

ASSUMPTION (continued)

The average collection per month for the Organ Donor Program Fund is \$31,358. The following methodology was based on this average collection:

FY2003

31,358	Average number of donations
<u>x \$1.00</u>	Increased Donation
\$31,358	Increased Donations per month
<u>x 10</u>	Months of FY2003 (based on an August 28, 2002 effective date)
\$313,580	Increased Donations for FY 2003

Oversight assumes that hospitals could experience some administrative tasks relating to this proposal. However, we believe that the functions could be absorbed with existing resources and, therefore, have shown no fiscal impact to hospitals.

This proposal would result in an increase in Total State Revenue.

FISCAL IMPACT - State Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

HIGHWAY FUND

Transfer - In

HW-C:LR:OD (12/01)

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Transfer from Organ Donor Program Fund for Development and Implementation Costs	\$27,500	\$0	\$0
<u>Costs - Department of Revenue</u> Programming Costs	<u>(\$27,500)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON HIGHWAY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
ORGAN DONOR PROGRAM FUND			
<u>Income - Department of Health and Senior Services</u> Additional donations from license	\$313,580	\$0	\$0
<u>Transfer - Out</u> Transfer to Highway Fund for DOR Development and Implementation Costs	<u>(\$27,500)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON ORGAN DONOR PROGRAM FUND	<u>\$286,080</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill makes several changes to the Anatomical Gift Act. In its main provisions, the bill:

(1) Adds definitions for "anatomical donations," "federally certified organ procurement organizations," and "organ donor program fund"; (2) Allows persons who are 15 years of age to make anatomical gifts with parental or guardian consent; (3) Allows an attending physician or hospital designee to contact an organ procurement organization to determine the suitability of an organ, tissue, or eye donation of any patient who is near death or who dies while an inpatient at a hospital and specifies the procedures for the determination; (4) Allows a hospital to develop and implement a protocol for referring potential anatomical donors; (5) Establishes procedures for conducting death medical record reviews for the purpose of determining the anatomical donor potential at a hospital; (6) Allows the Division of Motor Vehicle and Drivers Licensing to modify the driver's license and identification card application process and renewal system for the purposes of obtaining information on anatomical donations from persons over 15 years of age and allowing persons under 18 years of age to register as donors with parental consent; (7) Allows applicants for a driver's license or renewal for a six year license to make voluntary contributions of \$2 to the Organ Donor Program Fund; (8) Specifies persons who can conduct reasonable administrative and physical searches in order to verify the approval or non-approval of an organ donation; (9) Specifies the use of the Organ Donor Program Fund; (10) Adds the following members to the Organ Donation Advisory Committee: one representative from the Department of Revenue; one representative nominated by the Missouri Hospital Association; and one representative nominated by an eye bank. The bill also specifies that four advisory committee nominees are required to be current members of organ procurement organizations in Missouri; and (11) Allows the Director of the Department of Revenue to specify the procedures and format for allowing an applicant to designate an anatomical gift on the back of a nondriver's license.

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 Attorney General
Office of State Courts Administrator
Department of Economic Development
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Social Services
Missouri Highway Patrol
Office of Prosecution Services
Office of Secretary of State
Department of Revenue
Department of Corrections
Department of Public Safety
Office of State Public Defender



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