

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3927-01
Bill No.: SB 929
Subject: Health Care; Health Care Professionals; Medical Procedures and Personnel;
 Health Dept.; Physicians; Revenue Dept.; Licenses - Drivers.
Type: Original
Date: February 12, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Highway Fund	\$0	\$0	\$0
Organ Donor Program	\$307,580	\$140,904	\$140,904
Total Estimated Net Effect on <u>All</u> State Funds	\$307,580	\$140,904	\$140,904

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, Department of Economic Development, Office of the Governor, Missouri Highway Patrol, Office of Attorney General and Office of State Treasurer** assume the proposed legislation will not fiscally impact their organizations.

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

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 the average monthly income to the Organ Donor Fund was \$33,861. In 2000, the average monthly income was \$34,643. In 2001, the average income has dropped to \$25,807. Further decreases in contributions are expected as the number of driver's license transactions drop with the change to the six year license renewal.

Officials from the **Department of Elementary and Secondary Education (DES)** stated a representative of DES would be appointed to the "Organ Donation Advisory Committee." The DES would likely incur travel costs resulting from the performance of duties. However, the DES does not expect the costs to be significant and, therefore, could be absorbed within current funding levels.

Officials from the **Department of Revenue (DOR)** provided the following assumptions for the proposed legislation:

ADMINISTRATIVE IMPACT

Division of Motor Vehicle and Drivers Licensing

The Division of Motor Vehicles and Driver Licensing will be required to modify the over-the-counter driver licensing system. An estimated 60 hours of contracted programming is needed to make the appropriate modifications.

60	Hours of programming
x \$100	Contracted programming rate
<u>\$6,000</u>	Total programming cost

ASSUMPTION (continued)

To implement this legislation, the Department of Revenue will require additional funds. In the past, the programs included in this legislation have been paid for with highway funds. This year, however, highway funds 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.

The legislation enacted during the 2000 General Assembly places a cap on the highway funding available to state departments other than the Department of Transportation. The total amount of highway funds appropriated to these other state departments (including the Department of Revenue) cannot exceed the total amount of their fiscal year 2001 highway appropriations. This cap limits the highway funds that will be available for the implementation of this legislation.

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 all applicants for a drivers license to make a \$2.00 donation to the Organ Donor Program Fund regardless if the license was issued for three or six years. This proposal is unlike previous proposals this session that increased organ donation to \$2.00 for individuals who receive a six year license.

In order to determine the fiscal impact of this proposal, the department used 31,358 as the average number of individuals who currently donate \$1.00 to the organ donor program fund each month. The current transaction volume for all documents issued by the Division of Motor Vehicles and Driver Licensing is 1,857,000 annually. In FY 2004, this total will decrease by an estimated 30% (1,293,000 million) due to the effects of the six year driver licensing program in FY04.

FY03

31,358	Average monthly donors
<u>x 10</u>	Months in FY03
313,580	Total donors
<u>x \$2.00</u>	Organ donation Amount
\$627,160	Total collections for FY03
<u>-\$313,580</u>	Current collections
<u>\$313,580</u>	Increased collections for FY03

ASSUMPTION (continued)

FY 04 and FY 05

31,358 Current organ donation fund donors

x <u>12</u>	Months per year
376,296	Total annual donors
<u>/1,857,000</u>	Current transaction volume
20%	Percent of total applicants who donate
1,293,000	Estimated annual volume with 6 year licensing
x <u>20%</u>	Percent of total applicants who donate
258,600	Total annual donors
258,600	Total annual donors
x <u>\$2.00</u>	Organ donation amount
\$517,200	Total annual organ donation amount
\$517,200	Total annual donation
<u>-\$376,296</u>	Previous annual donation amount
<u>\$140,904</u>	Annual increase of organ donation fund

Officials from the **Office of the Secretary of State (SOS)** state this bill creates the Organ Donation Advisory Committee, requirements for hospitals with rules promulgated by the Department of Health and Senior Services , and the Organ Donor Program Fund to be administered by the Secretary of State. Based on experience with other divisions, the rules, regulations and forms issued by the Department could require as many as 30 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 \$1,538 [(30 pp x \$27) + (45 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.

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

<u>FISCAL IMPACT - State Government</u>	FY 2003	FY 2004	FY 2005
	(10 Mo.)		

HIGHWAY FUND

Transfer-In

<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	\$6,000	\$0	\$0
<u>Costs - Department of Revenue</u> Programming Costs	<u>(\$6,000)</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	\$140,904	\$140,904
<u>Transfer-Out</u> Transfer to Highway Fund for DOR Development and Implementation Costs	<u>(\$6,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON ORGAN DONOR PROGRAM FUND	<u>\$307,580</u>	<u>\$140,904</u>	<u>\$140,904</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 act modifies the law relating to organ donation and procurement.

DESCRIPTION (continued)

New terms are added to define "donee," "hospital designee," and "OPO" or "organ procurement organizations". Organ procurement organizations are added as recipients.

Portions of Section 194.233, RSMo, regarding hospital procedure during organ procurement are deleted. New language requires hospitals to comply with OPO requirements. This act also allows OPOs to engage procurement coordinators to assist in the recovery of donated organs.

Current law creates the "Organ Donor Program Fund" for the purpose of organ donation awareness programs, as directed by the Organ Donation Advisory Committee. This act allows the Fund to receive

gifts, grants, contributions, and other sources. This act adds to the Advisory Committee two representatives of federally certified OPOs, one representative of an eye bank, one member of the hospital industry, a licensed physician, one representative of the Department of Revenue, and one representative of the Department of Elementary and Secondary Education. Appointed terms are clarified. The Department of Health and Senior Services must provide unlimited 24-hour Internet access to the organ donor registry for authorized personnel. A report is due on the subject by January 15, 2003.

The procedure individuals must follow when applying for a Missouri driver's license is outlined in current law. New language states that an applicant may make a donation of \$2 to promote organ donor

programs when that applicant becomes eligible for the six-year license renewal. Upon renewal, the Department must ask if the applicant is interested in being on the organ donor registry and must inform the applicant about the ability to consent to organ donation on his or her driver's license. The Director must provide by rule the procedure and format for an applicant to indicate an anatomical gift on the back of a nondriver's license card.

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 Social Services
Department of Elementary and Secondary Education
Department of Revenue

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Office of State Treasurer
Office of the Secretary of State
Department of Health and Senior Services
Office of the Governor
Department of Economic Development
Missouri Highway Patrol
Office of Attorney General

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Acting Director
February 12, 2002