

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1405-06
Bill No.: Truly Agreed To and Finally Passed SCS for HCS for HB 464
Subject: Administration, Office of; Banks and Financial Institutions; Boards, Commissions, Committees, Councils; Economic Development Dept.; Disabilities; Fire Protection; Health Care; Licenses - Professional; Savings and Loan; State Departments; Suicide
Type: Original
Date: June 9, 2011

Bill Summary: Eliminates, combines, and revises certain state boards, commissions, committees, and councils.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(Unknown exceeding \$77,103)	(Unknown exceeding \$79,011)	(Unknown exceeding \$79,915)
Total Estimated Net Effect on General Revenue Fund	(Unknown exceeding \$77,103)	(Unknown exceeding \$79,011)	(Unknown exceeding 79,915)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 11 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Private Fire and Investigator Examiners	(\$2,638)	(\$2,398)	(\$2,445)
Professional Registration Fees*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$2,638)	(\$2,398)	(\$2,445)

* Transfer-in and costs net to \$0.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	1.5	1.5	1.5
Total Estimated Net Effect on FTE	1.5	1.5	1.5

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from **Department of Agriculture, Office of Administration (OA) - Division of Budget and Planning, Office of State Courts Administrator, Department of Elementary and Secondary Education, Department of Higher Education, Department of Natural Resources, Department of Corrections, Department of Health and Senior Services, Department of Labor and Industrial Relations, Department of Revenue, Missouri Department of Transportation, Department of Public Safety (DPS) - Missouri State Highway Patrol, DPS - Division of Fire Safety, Missouri House of Representatives, Office of Prosecution Services, Missouri Senate, Office of State Treasurer, State Tax Commission, City of Kansas City, Parkway School District, Missouri State University, University of Missouri, and University of Central Missouri** the assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **OA - Administrative Hearing Commission** anticipate this legislation will not significantly alter its caseload. However, if other similar bills also pass, there are more cases, or the cases are more complex, there could be a fiscal impact.

Officials from the **Office of the Governor (GOV)** state no added costs are anticipated for the Governor's Office as a result of this bill. The legislation proposes to modify 13 boards, eliminate and/or consolidate 25 commissions and remove 200 positions that were created by statute.

Officials from the **Department of Mental Health (DMH)** state the proposed legislation eliminates the Commission on the Special Health Psychological and Social Needs of Minority Older Individuals and the Suicide Prevention Advisory Committee. The DMH provides support to both the commission and committee by answering questions through regular channels, however, there is no specific funding dedicated to support them. Therefore, the DMH assumes there would be no fiscal impact if the proposed legislation were passed.

Officials from the **Department of Social Services (DSS)** provide the following assumptions for this proposal:

The MO HealthNet Oversight Committee (Section 208.955)

This section increases the membership of the MO HealthNet Oversight Committee from 18 to 19 members. Previously, one member of the committee was designated as a "nonphysician health

ASSUMPTION (continued)

care professional" who cares for MHD participants. This proposal increases such representation to two nonphysician health care professionals, and specifies that one must be a nurse and one must be a licensed psychologist, professional counselor, or social worker.

This section also prohibits the consumer representative, the two patient advocates, and the member of the public who serve as members of the committee from having any financial interest in the health care industry. In addition, they cannot have been employees of the state within the five years prior to their appointment to the committee.

Finally, the two physician members of the committee must be chosen in the same manner as members of the State Board of Registration for the Healing Arts, as outlined in Section 334.120. Similarly, the dentist on the committee must be chosen in the same manner as members of the Missouri Dental Board, as outlined in Section 332.021.

There is no significant fiscal impact. Based on the historical cost of expenses reimbursed to committee members, the annual cost per member is \$216. Since this is a minimal amount, MHD can absorb the cost of adding one member to the committee.

Missouri Children's Services Commission (Section 210.101)

Current law requires the Director or Deputy Director of the Department of Social Services be a member of the Commission. This legislation changes that to the Director of the Department or the Director's designee; the reference to the Deputy Director is deleted. There is no substantial fiscal difference whether DSS is represented by the Director, a Deputy Director, or the Director's designee.

Missouri Task Force on Prematurity and Infant Mortality (Section 210.105)

The "Missouri Task Force on Prematurity and Infant Mortality" is created within the Children's Services Commission. The Director of the Department of Social Services, or the director's designee, is a member of the task force.

The task force must submit a report on their findings to the Governor and General Assembly by December 31, 2013. The task force expires January 31, 2015, or upon submission of the final report, whichever is earlier.

There is no fiscal impact to the DSS. The Director or the Director's designee is a member of the task force, but cannot receive compensation. Reimbursement for expenses and staff support is the responsibility of the Children's Services Commission.

ASSUMPTION (continued)

Officials from the **Joint Committee on Administrative Rules** assumes the proposal would have no impact beyond its current appropriations.

Officials from the **Missouri Department of Conservation (MDC)** assume the proposal would have a minimal fiscal impact on the MDC as some staff time would likely be involved.

Oversight assumes the MDC could absorb the minimal fiscal impact within existing funding levels.

Officials from **Northwest Missouri State University** state there is no way to easily calculate the fiscal impact of this proposal.

Oversight assumes any fiscal impact experienced by Northwest Missouri State University will be absorbable within current funding levels.

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration (DIFP)** state the legislation combines the Board of Private Investigator Examiners and the Board of Private Fire Investigator Examiners. With this addition, it will add two (2) board members to the Board of Private Investigator Examiners Board which will stay intact and become the Board of Private Investigator and Private Fire Investigator Examiners. With the addition of these members, the board will incur increased personal service and expense and equipment costs.

The DIFP estimates additional board per diem for the two (2) additional members of \$700 annually (\$50 per diem X 7 meeting days X 2 members) and additional mileage and meal reimbursement of \$1,000.

Printing and postage expenses for the first year include notification, applications, letterhead and envelopes, as well as the cost associated with mailings associated with initial registration. Subsequent years' printing and postage cost is based on a board of similar size.

Total FY 12 costs are estimated to be \$2,638; \$2,398 for FY 13; and \$2,445 for FY 14.

Officials from the **Office of Secretary of State (SOS) - Rules Division** state the fiscal impact for this proposal is less than \$2,500. The SOS 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 SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

ASSUMPTION (continued)

Officials from the **Department of Economic Development (DED) - Business and Community Services Division** state subject to appropriation, the proposed legislation would result in the need for 1.5 FTE to support the activities of the Small Business Regulatory Fairness Board (SBRFB) under section 536.310. The 0.5 FTE would be an Office Support Clerical position responsible for basic support functions. The 1.0 FTE would be a Planner II and would assist the SBRFB in their duties, including reviewing rules affecting small businesses, developing training programs for agencies, facilitating board meetings and public meetings, preparing necessary reports, attending board meetings, etc. There are also standard costs associated with these FTE. The SBRFB is also allowed to receive additional funds (subject to appropriation) for upkeep of its website, information technology expenses, mileage for board members, printing costs, and outreach costs.

The proposed legislation enacts the Community Services Commission Act and assigns the Missouri Community Services Commission to the DED under Sections 620.580. It also creates the Community Services Commission Fund and allows the fund to receive appropriations, grants, gifts, etc. The DED assumes an unknown negative impact as a result of the legislation but is unable to determine whether or not this impact is over or under \$100,000 because the appropriation amount is unknown.

Further, the proposed legislation transfers the powers of the Seed Capital Investment Board to the Missouri Technology Corporation under Section 620.638. The DED assumes no fiscal impact on this revision.

Officials from the **Office of Lieutenant Governor** and **Office of State Public Defender** did not respond to **Oversight's** request for a statement of fiscal impact.

No other local governments, cities, schools, counties, or colleges/universities responded to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE FUND			
<u>Costs - DED (\$536.310)</u>			
Personal service	(\$39,715)	(\$48,135)	(\$48,616)
Fringe benefits	(\$20,787)	(\$25,194)	(\$25,446)
Equipment and expense	(\$16,601)	(\$5,682)	(\$5,853)
Community services commission expenses (\$620.580)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
Total <u>Costs</u> - DED	<u>(Unknown</u> <u>exceeding</u> <u>\$77,103)</u>	<u>(Unknown</u> <u>exceeding</u> <u>\$79,011)</u>	<u>(Unknown</u> <u>exceeding</u> <u>\$79,915)</u>
FTE Change - DED	1.5 FTE	1.5 FTE	1.5 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(Unknown</u> <u>exceeding</u> <u>\$77,103)</u>	<u>(Unknown</u> <u>exceeding</u> <u>\$79,011)</u>	<u>(Unknown</u> <u>exceeding</u> <u>\$79,915)</u>
Estimated Net FTE Change for General Revenue Fund	1.5 FTE	1.5 FTE	1.5 FTE
PRIVATE FIRE AND INVESTIGATOR EXAMINERS FUND (\$§324.1100 - 324.1144)			
<u>Transfer-out to PR Fees Fund - DIFP</u>			
Funding to cover board member per diem, board meeting costs and expenses	<u>(\$2,638)</u>	<u>(\$2,398)</u>	<u>(\$2,445)</u>
ESTIMATED NET EFFECT ON PRIVATE FIRE AND INVESTIGATOR EXAMINERS FUND	<u>(\$2,638)</u>	<u>(\$2,398)</u>	<u>(\$2,445)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
PROFESSIONAL REGISTRATION FEES FUND			
(\$§324.1100 - 324.1144)			
<u>Transfer-in from Private Fire and Investigator Examiners Fund - DIFP</u>			
Funding to cover board member per diem, board meeting costs and expenses	\$2,638	\$2,398	\$2,445
<u>Costs - DIFP</u>			
Board member per diem, board meeting costs and expenses	(\$2,638)	(\$2,398)	(\$2,445)
ESTIMATED NET EFFECT ON PROFESSIONAL REGISTRATION FEES FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<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.

FISCAL DESCRIPTION

This proposal eliminates the Board of Licensed Private Fire Investigator Examiners and the Board of Private Investigator Examiners. The new Board of Private Investigator and Private Fire Investigator Examiners will carry out the duties and powers of these boards. The new board's responsibilities with regard to fire investigators will not take effect until the governor appoints the fire investigator members and the appointments are confirmed by the senate. The members serving on the Board of Private Investigator Examiners shall continue to serve on the new board and the new board will have two additional members who have been actively engaged in private fire investigations for the previous five years.

HWC:LR:OD

FISCAL DESCRIPTION (continued)

The proposal also requires private fire investigator agencies to be licensed by the board and merges the two board's licensing statutes. (Sections 324.1100 - 324.1144)

This proposal allows the small business regulatory fairness board to hire a one-half full-time and a full-time equivalent employee for clerical support and for a professional position subject to appropriation. Those individuals shall be charged with numerous clerical and administrative tasks in support of the board as are enumerated in the proposal. (Sections 536.310, 536.312)

The proposal transfers the Missouri Community Service Commission from the Office of the Governor to the Department of Economic Development and changes the number of voting members to at least 15 but no more than 19 (Sections 26.600 - 26.614 and 620.580 - 620.592).

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
Department of Agriculture
Office of Administration -
 Administrative Hearing Commission
 Division of Budget and Planning
Office of State Courts Administrator
Department of Economic Development -
 Business and Community Services Division
Department of Elementary and Secondary Education
Department of Higher Education
Department of Insurance, Financial Institutions, and Professional Registration
Department of Mental Health
Department of Natural Resources
Department of Corrections
Department of Health and Senior Services
Department of Labor and Industrial Relations
Department of Revenue
Department of Social Services
Missouri Department of Transportation
Department of Public Safety -
 Division of Fire Safety
 Missouri State Highway Patrol

SOURCES OF INFORMATION

Office of the Governor
Joint Committee on Administrative Rules
Missouri Department of Conservation
Missouri House of Representatives
Missouri Senate
Office of Secretary of State
Office of State Public Defender
Office of State Treasurer
State Tax Commission
City of Kansas City
Parkway School District
Missouri State University
Northwest Missouri State University
University of Missouri
University of Central Missouri

NOT RESPONDING: Office of Lieutenant Governor and Office of Prosecution Services



Mickey Wilson, CPA
Director
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