

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4554-03  
Bill No.: SB 1149  
Subject: Contracts and Contractors; Drugs and Controlled Substances; Employee-  
Employers  
Type: Original  
Date: April 4, 2006

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>General Revenue</b>	(Unknown - Not expected to exceed \$100,000)	(Unknown - Not expected to exceed \$100,000)	(Unknown - Not expected to exceed \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown - Not expected to exceed \$100,000)</b>	<b>(Unknown - Not expected to exceed \$100,000)</b>	<b>(Unknown - Not expected to exceed \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of the Secretary of State (SOS)** assume 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 proposal for Administrative Rules is less than \$1,500. The SOS recognizes this is a small amount and does not expect additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed in a given year and that collectively the costs may be in excess of what the SOS can sustain with their core budget. Any additional required funding would be handled through the budget process.

The following agencies indicated this proposal would have no fiscal impact on their respective agencies: **Department of Labor and Industrial Relations; Coordinating Board for Higher Education; Department of Elementary and Secondary Education.**

According to officials from the **Department of Health and Senior Services**, there are currently over 4,000 laboratories in the state of Missouri that are "CLIA" (Certified Laboratory Improvement Amendments, 42 CFR Part 493. These are laboratories that perform medical testing for diagnosis and treatment. Testing urine for drugs (or for the metabolites of drugs) in

ASSUMPTION (continued)

the employment setting is not medical testing because it is not done for diagnosis and treatment. Laboratories that perform these employment related drug screening may, but need not be CLIA laboratories. Since there are a number of types of laboratories in operation (forensic, industrial, etc.), there are an indeterminate number of labs in addition to the CLIA labs that would need to be supervised pursuant to this legislation.

Since the proposed legislation contemplates not only the supervision of the laboratories, but also specifying the type of testing that should be done (e.g., immunoassay, gas chromatography/mass spectrometry assay, etc.) as well as identifying appropriate testing facilities, and specifying the fees for such tests, it will be necessary to develop and administer comprehensive regulations pursuant to this bill. DOHSS is unable to estimate the fiscal impact due to uncertainties about how many people would need to be tested and how many labs would be involved.

**Oversight** assumes DOHSS will incur costs to administer this program, but those costs would not exceed \$100,000 annually.

The following colleges and universities indicated this proposal would have no fiscal impact on their respective institutions: **Metropolitan Community College; Lincoln University; Truman State University.**

Officials from the **University of Missouri System** assume an annual cost of approximately \$190,000 in increased construction bids.

Officials from **Missouri State University** assume that while the employer of the workers would be responsible for the cost of this program, the cost would ultimately pass on those hiring the firm to do construction work. While there would be an impact to the costs of projects on campus, it would not be overwhelming.

Officials from the **Nixa Public School District** indicated this proposed legislation would result in costs of \$25 per construction worker, which would most likely be passed on to the school district.

**Oversight** assumes the costs of drug testing would be indirect costs to the schools, colleges, and universities; therefore, no cost is assigned to schools, colleges, or universities.

**Fiscal impact requests were sent to the school districts of Kansas City, St Joseph, Columbia and others who did not respond to requests for fiscal impact of the proposal.**



DESCRIPTION (continued)

Federal agencies of the laboratories that currently meet the standards in Subpart C of the Mandatory Guidelines for Federal Workplace Drug Testing Programs published in the Federal Register on April 13, 2004 (69 FR 19644). The notice listing all currently certified laboratories is published in the Federal Register during the first week of each month. If a laboratory's certification is suspended or revoked, the laboratory will be omitted from the list until it regains certification under the Guidelines. In Missouri, the certified laboratory is in Columbia: Toxicology & Drug Monitoring Lab, Univ. of Missouri Hosp. & Clinics..

This legislation is not federally mandated and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education  
Coordinating Board for Higher Education  
Department of Health and Senior Services  
Department of Labor and Industrial Relations  
Office of Secretary of State  
    Administrative Rules Division  
Colleges and Universities  
    Metropolitan Community College  
    Missouri State University  
    Lincoln University  
    University of Missouri System  
    Truman State University  
Public School Districts  
    Nixa

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**NOT RESPONDING**

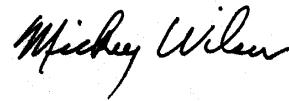
**School Districts**

**Kansas City**

**St Joseph**

**Columbia**

**Other school districts**



Mickey Wilson, CPA  
Director  
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