

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1150-01
Bill No.: SB 308
Subject: Economic Development Dept.; Health Care; Licenses - Professional
Type: Original
Date: February 5, 2007

Bill Summary: Requires audiologists and individuals who dispense hearing instruments to provide the purchaser with a completed purchase agreement containing specific material relating to the sale.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Hearing Instrument Specialist	(\$57,500)	\$0	(\$57,500)
Board of Healing Arts	(\$2,700)	(\$2,700)	(\$2,700)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$60,200)	(\$2,700)	(\$60,200)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

- 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 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume the proposal will have no fiscal impact on their organization.

Officials from the **Department of Insurance, Financial and Professional Regulation (DIFP)** state based on FY07 board projections, the DIFP estimates 18 endorsement applications (\$150 each) will no longer be received by the board of Hearing Instrument Specialists, thereby decreasing their funds by \$2,700 annually. Based on the language as written, the Board of Healing Arts would be required to supplement the Hearing Instrument Specialist Fund by this amount. The Board of Healing Arts may need to increase their fees to cover the cost of the annualized amount.

The Hearing Instrument Specialist board estimates 230 audiologists will not be required to renew their hearing instrument specialist license (\$250 each) decreasing revenue into the Hearing Instrument Specialist Fund by \$57,500. The DIFP anticipates the Board of Hearing Instrument Specialists will implement a fee increase to cover the loss of revenue.

This proposal will impact total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
HEARING INSTRUMENT SPECIALIST FUND			
<u>Transfer-In from Board of Healing Arts Fund</u>			
Annualized contributions	\$2,700	\$2,700	\$2,700
<u>Losses - Department of Insurance, Financial and Professional Regulation</u>			
Reduction in hearing instrument application/renewal fees	(<u>\$60,200</u>)	(<u>\$2,700</u>)	(<u>\$60,200</u>)
ESTIMATED NET EFFECT ON HEARING INSTRUMENT SPECIALIST FUND	<u>(\$57,500)</u>	<u>\$0</u>	<u>(\$57,500)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
BOARD OF HEALING ARTS FUND			
<u>Transfer-To Hearing Instrument Fund</u>			
Annualized contributions	<u>(\$2,700)</u>	<u>(\$2,700)</u>	<u>(\$2,700)</u>
ESTIMATED NET EFFECT ON BOARD OF HEALING ARTS FUND	<u>(\$2,700)</u>	<u>(\$2,700)</u>	<u>(\$2,700)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal will have an administrative impact on small audiology related businesses as purchase agreements will have to be supplied to consumers. The proposal may also impact small businesses that pay for hearing instrument specialist licenses.

FISCAL DESCRIPTION

This proposal adds fitting, programming, and dispensing of assistive listening devices and other amplification systems to the definition of the practice of audiology.

Licenses who sell devices shall deliver a purchase agreement to the purchaser containing information including the terms of the sale, name of the manufacturer, make, model, whether the item is used and other details.

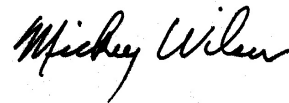
The proposal also phases in education requirements for applicants for instrument specialist licenses or hearing instrument specialist-in-training permits.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Revenue
Department of Insurance, Financial and Professional Regulation



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