

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1150-08
Bill No.: Truly Agreed To and Finally Passed CCS No. 2 for HCS for SCS for SB 308
Subject: Boards, Commissions, Committees, Councils; Consumer Protection; Fees;
 Licenses - Professional
Type: Original
Date: June 15, 2007

Bill Summary: Modifies licensing standards and practice of audiologists and hearing instrument specialists.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(\$14,173)	(Unknown less than \$112,902)	(Unknown less than \$111,691)
Total Estimated Net Effect on General Revenue Fund	(\$14,173)	(Unknown less than \$112,902)	(Unknown less than \$111,691)

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 21 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Criminal Records	\$0	\$8,400	\$256
Athletic	\$47,224	\$24,894	\$44,909
Hearing Instrument Specialist	\$0*	\$0*	\$0*
Board of Registration for the Healing Arts	\$0*	\$0*	\$0*
Private Investigator Examiners	\$0	\$178,907	(\$118,908)
PR Fees	(\$110,763)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$63,539)	\$212,201	(\$73,743)

* Transfers between funds and increase in fees nets to \$0.

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
General Revenue	1	1	1
Private Investigator Examiners	1.5	1.5	1.5
Total Estimated Net Effect on FTE	2.5	2.5	2.5

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 2008	FY 2009	FY 2010
Local Government	(Unknown) to Unknown	(Unknown) to Unknown	(Unknown) to Unknown

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Revenue, Department of Social Services, Department of Public Safety (DPS) - Director's Office, Office of the Governor, and Missouri Senate** assume the proposal will have no fiscal impact on their organizations.

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

Officials from the **Department of Elementary and Secondary Education (DES)** state there is no state cost to the foundation formula associated with this proposal. Should the new crimes and amendments to current law result in additional fines or penalties, the DES cannot know how much additional money might be collected by local governments or the Department of Revenue to distribute to schools. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to schools increases the deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Officials from the **Office of Attorney General (AGO)** state the proposal makes significant changes to the existing licensing laws and also adds a new category, private investigators, to existing law. Based on these changes, the AGO assumes that it would require 0.5 FTE Assistant Attorney General II (AAG) to hand the new responsibilities set out in this proposal.

The AGO further notes that there are other significant changes to state law that may require additional work by the AGO. Depending on the number of complaints received and referrals to the AGO for action before the Administrative Hearing Commission, there could be a need for additional attorney resources to implement these provisions. As a result, the AGO may seek additional appropriations depending on the number of complaints received under the new sections of law.

The AGO estimates FY 08 costs of \$23,378; FY 09 costs of \$28,895; and FY 10 costs of \$29,762.

ASSUMPTION (continued)

Oversight assumes the AGO would not hire an additional 0.5 FTE AAG II and would have existing staff absorb the additional duties.

Officials from the **Office of Secretary of State (SOS)** state the proposal requires the Department of Insurance, Financial and Professional Regulation to promulgate rules. These rules would be published in both the Missouri Register and Code of State Regulations. Based on experience with other divisions, the rules, regulations and forms issued by the various agencies could require as many as 125 pages in the Code of State Regulations and 175 pages in the Missouri Register because of cost statements and fiscal notes, etc. that are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The SOS estimates a total cost of \$7,285 [(175 pgs. X \$23) + (125 pgs. X \$27)]. These costs are estimates and depend on the number of rules printed, rescinded, and amended.

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 **Office of State Public Defender (SPD)** assume the new crime will create new cases for the SPD. The exact number of cases affected is too uncertain to provide a definitive dollar amount of fiscal impact. Nevertheless, there will some impact.

Since the amount of impact is so uncertain, the SPD is assuming existing staff will probably be able to provide representation in these cases initially. However, once the true fiscal impact is determined, the SPD will reassess the impact of the legislation. Passage of more than one bill increasing existing penalties or creating new crimes would require increased appropriations for the SPD.

Officials from the **Office of State Treasurer (STO)** state that effective July 1, 2008, in every odd numbered year, the Board of Healing Arts will transfer from the "Board of Registration for the Healing Arts Fund" to the "Hearing Instrument Specialist Fund" an amount not to exceed \$61,000 to replace decreased renewal fees received by the Board of Examiners for Hearing Instrument Specialists as a result of the decrease in licensees. The amount will be equal to the license renewal fees paid during FY 06 and FY 07. Subsequent transfers may not decrease by more than 25%.

ASSUMPTION (continued)

The proposal also creates the "Board of Private Investigator Examiners Fund" and states the "state treasurer shall be custodian of the fund and shall **approve disbursements** from the fund in accordance with the provisions of sections 30.170 and 30.180, RSMo." Also the fund structure is different from all other board funds within the Department of Insurance, Financial and Professional Regulation, Division of Professional Registration in that the fund is exempt from the biennial transfer. Board funds are typically subject to the biennial transfer (their balances are capped at two (2) or three (3) times their annual appropriations) to keep the board from building up excess cash. In addition, the board funds do not typically retain interest earnings (contributed to General Revenue) for the same reason.

The STO states it only ensures disbursements are made from a lawful appropriation and don't exceed the amount of the appropriation. If the wording of the proposal is not changed, the STO will need one (1) FTE Accounting Specialist I (\$39,324 annually) plus fringe benefits to monitor these disbursements.

Oversight has, for fiscal note purposes only, changed the starting salary for Accounting Specialist I to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Officials from the **Office of Prosecution Services (OPS)** state the proposed legislation includes provisions for new criminal acts and, therefore, creates new obligations for prosecuting attorneys. In addition, it increases the classification of a crime from a misdemeanor to a felony. Any increase in the number of cases referred for criminal prosecution and any new statutory obligations for prosecutors will have an additional fiscal impact on County Prosecutors. Generally, the prosecution of felonies requires more time and attention than misdemeanor cases. However, the OPS is not able to establish an estimate of the number of additional criminal cases that would be referred to the County Prosecutors for charges because of this proposed legislation. It is therefore, not possible determine if the proposal would have a significant direct fiscal impact on county prosecutors of the OPS.

Officials from the **Department of Health and Senior Services (DOH)** state Section 192.632 establishes the Chronic Kidney Disease Task Force and authorizes the DOH to provide support to the task force.

ASSUMPTION (continued)

The proposal lists 17 required members and allows for other members. As several required members are specialty physicians, it is assumed that most members will come from the Kansas City and St. Louis areas. It is also assumed that a member of the Missouri Organ Donor Program will serve on the task force. Since other members may also be chosen to serve on the task force, costs are calculated for a total of 25 task force members.

The proposal does not specify how often the task force is to meet, but does require it to prepare its final recommendations in the form of a report to the general assembly within 365 days of its first meeting. With that time frame, it is assumed that the task force will meet six (6) times annually. The provisions expire August 28, 2008 so no expenses will be needed beyond that point.

The Bureau of Cancer and Chronic Disease Control will utilize existing staff to provide support for the task force, however, additional expense and equipment will be needed to support the task force. The task force will be in existence for only one year. The task force will be appointed by September, start meeting in October and meet every other month through August, 2008. The DOH assumes a standard cost of \$160 per member per meeting for lodging, meals, and mileage for a total cost of \$24,000 ($\$160 \times 25 \text{ members} \times 6 \text{ meetings}$). The DOH also assumes the task force will meet 5 times in FY 08 and one (1) time in FY 09.

Oversight assumes the minimum members required (17) would make up the Task Force for a total cost of \$16,320 ($\$160 \times 17 \text{ members} \times 6 \text{ meetings}$), with 5 meetings being held in FY 08 and one being held in FY 09.

Officials from the **Department of Insurance, Financial and Professional Regulation (DIFP)** provide the following assumptions:

Sections 317.001 - 317.019

The board has assumed there will be approximately 38 annual events each year, should the number of events vary, the appropriation and revenue will also vary.

It is assumed that each of the 4 staff inspectors as well as the 26 contracted inspectors will need additional training. It is estimated the training will cost \$404 per training session for each inspector with 3 training sessions per year (\$12,120) and an additional \$100 per training session for each contracted inspector (\$7,800) for per diem charges. It is further assumed that each training seminar (3) will need 2 trainers (\$1,112 per trainer for each seminar).

The board assumes that 2 contracted inspectors will need to attend each event (38) and be paid a per diem per event of \$150.

ASSUMPTION (continued)

It is assumed that the average gate will be \$25,000 per event, there is a 7 % state and local sales tax, and a 5% gate tax on the remaining gate income for a total of \$1,163 total gate tax received by the Athletic fund per event.

The DIFP assumes application revenue will be generated for contestants, judges, referees, promoters, announcers, timekeepers, matchmakers, events, etc. Based on the number of different categories of applications that could be received, the DIFP estimates total applicant fee revenue of \$37,740 for FY 08; \$16,550 for FY 09; and \$37,740 for FY 10. The DIFP assumes judges, referees, announcers, timekeepers, and matchmakers, etc. will receive biennial licenses.

The DIFP estimates additional funds to the Athletic Fund of \$43,918 for FY 08; \$21,588 for FY 09; and \$41,603 for FY 10, net of expenses.

Oversight notes per section 317.006 of the proposal, a tax of five percent (5%) on the gross receipts derived from admission charges is to be deposited into the Athletic Fund. In addition, there would be state and local taxes charged on the admission charges for the events. Assuming \$25,000 per event and 38 events per year, gross receipts would be \$950,000 (\$25,000 X 38). \$47,500 would be deposited into the Athletic Fund annually (\$950,000 X 5%). In addition, **Oversight** estimates the General Revenue Fund would receive approximately \$40,138 (\$950,000 X 4.225% state tax rate) from these events annually. Assuming an average local tax rate of 2.775% (7% minus 4.225%), local governments would receive approximately \$26,363 annually. As noted by the DIFP, if the number of events vary, so will the tax revenues collected and deposited into General Revenue, the Athletic Fund, and local governments.

Sections 335.035 & 335.067

It is assumed that the Board of Nursing will meet five additional times the first year to promulgate rules, write the RFP and set up the Impaired Nurses Program. It is assumed that the per diem and travel expenses will be approximately \$7,389 in FY08 and \$683 in subsequent fiscal years.

Based on the costs associated with the Dental Well-Being Committee and the Physician Well-Being Committee, the board believes the costs to implement the Impaired Nurses Program will be approximately \$3,200 per licensee enrolled in the program. The board estimated the number of licensees, who will participate in the program to be 200, for a cost of \$640,000. Therefore, total costs of the Impaired Nurse Program is estimated to be \$13,562 in FY 08 (program set-up costs of \$6,062 + meeting expenses of \$7,500) and \$640,683 (\$640,000 program costs + 683 meeting expenses) for FY 09 and FY 10.

It is the Nursing Board's intent to fund part of the program from their existing budget and to have the impaired nurse pay a portion of the costs as well.

ASSUMPTION (continued)

Oversight assumes the Nursing Board would require participants to pay fees to cover the costs of treatment and/or adjust nurse licensing fees, if necessary, to cover the costs of the Impaired Nurse Program.

Sections 339.100 - 339.205

The total fiscal impact of practicing real estate without a license is unknown since the number of violations are unknown. It is assumed the penalties will go to the public schools fund.

Oversight notes the proposal does not specify where penalties collected from individuals found to be practicing real estate without a license are to be deposited. Per the Missouri Constitution, Article IX, section 7, penalties are to be deposited with county treasurers for distribution to schools.

Sections 345.015 - 346.110

Based on FY 07 board projections, the division estimates 18 endorsement applications (at \$150 each) will no longer be received by the board of Hearing Instrument Specialists thereby decreasing their fund by \$2,700 annually. The board estimates 230 audiologists will not be required to renew their hearing instrument specialist license (at \$250 each) decreasing revenue into the Hearing Instrument Specialist Fund by \$57,500. Based on the language as written the Board of Healing Arts would be required to supplement the Hearing Instrument Specialist fund by these amounts, up to \$61,000. The Board of Healing Arts will increase audiology licensing fees to recoup the cost of the supplement required by this legislation. This will result in a zero net affect on the fund(s) involved.

Sections 324.1100 - 324.1148

Based on a 2005 estimate from a search of Occupational Projections by the Department of Economic Development, Occupational Employment Statistics (OES) and including a 3% growth rate, there are 525 individuals in the state of Missouri that will be required to obtain private investigator licenses.

The DIFP estimates an initial biennial licensing fee of \$570 per licensee that will begin being collected in FY 09. Initial licensing fees are estimated to be \$299,250. It is assumed that all fees collected would be deposited into a fund for the Board of Private Examiners Fund and that all expenses would be paid out of that fund. It is assumed no revenue will be generated by the

ASSUMPTION (continued)

Board of Private Investigator Examiners in FY 08. Therefore, expenses incurred by the board will be paid back to the PR Fees Fund by a lending board within the division, pursuant to section 620.106, RSMo. It is estimated payback of any outstanding loans would be made in FY 2011.

Expenses and equipment costs were based on information from boards with a like-sized licensee base. The proposed legislation will create the need for 1.5 FTE as follows: Principal Assistant (0.5 FTE) to serve as the senior executive officer of the agency (\$59,532 annual full-time salary), a Licensure Technician II (0.5 FTE) will be needed to provide technical support, process licensure applications and respond to inquiries regarding licensure law (\$23,916 annual full-time salary) and an Investigator II (0.5 FTE) to conduct investigations and inspections, serve notices and gather information as required by the board (\$33,888).

It is assumed that the remaining boards affected by this proposal will realize no fiscal impact.

Officials from the **DPS - Missouri State Highway Patrol (MHP)** state the Department of Insurance, Financial and Professional Regulation advised the MHP that they expect approximately 500 fingerprint checks per year.

The total fees from record checks is estimated to be \$19,000 (\$38 per fingerprint check X 500 checks per year).

The state fingerprint processing fee is \$14; therefore, the anticipated revenue to the Criminal Records Fund is \$7,000 (500 checks X \$14).

The FBI fingerprint processing fee is \$24. However, \$2 is retained in the Criminal Records Fund as an administrative fee. Therefore, \$1,000 (\$2 X 500 checks) is retained in the Criminal Records Fund and \$11,000 (\$22 X 500 checks) is passed-through to the FBI, i.e. not retained in the Criminal Records Fund.

The MHP estimates this proposal will result in an additional \$8,000 (\$7,000 state processing fee + \$1,000 FBI administrative fee) to the Criminal Records Fund.

The increase in processing fees will not begin until FY 09 as the DIFP does not plan to begin licensing private investigators until FY 09.

Oversight notes the DIFP estimates 525 applicants in FY 09 and anticipates a 3% growth rate (16 applicants would need to be fingerprinted in FY 10). Income to the Criminal Records Fund

ASSUMPTION (continued)

for FY 09 is estimated to be \$8,400 [525 applicants X (\$14 state fee + \$2 FBI fee)]; income for FY 10 is anticipated to be \$256 [16 applicants (\$14 state fee + \$2 FBI fee)].

Oversight notes that penalties collected as a result of violations are to be paid to the county treasurer (Section 327.077.8).

Officials from the **Department of Corrections (DOC)** did not respond to our request for a statement of fiscal impact. However, in response to similar legislation, the DOC stated it cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost either through incarceration (FY 06 average of \$39.43 per inmate per day, or an annual cost of \$14,394 per inmate) or through supervision provided by the Board of Probation and Parole (FY 06 average of \$2.52 per offender per day, or an annual cost of \$920 per offender). Supervision by the DOC through probation or incarceration would result in additional unknown costs to the DOC. Seven (7) persons would have to be incarcerated per fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

Oversight assumes, based on Department of Insurance, Financial and Professional Regulation's response, that the DOC would not incur additional costs until FY 09.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Income - Civil Penalties Collected</u> (Section 327.077.8)	Unknown	Unknown	Unknown
<u>Income - DIFP</u>			
Increase in tax revenue from athletic events (Sections 317.001 - 317.019)	\$40,138	\$40,138	\$40,138
Penalties collected for practicing real estate without a license (Sections 339.100 - 339.205)	<u>Unknown less than \$100,000</u>	<u>Unknown less than \$100,000</u>	<u>Unknown less than \$100,000</u>
Total <u>Income</u> - DIFP	<u>Unknown less than \$140,138</u>	<u>Unknown less than \$140,138</u>	<u>Unknown less than \$140,138</u>
<u>Costs - Department of Health and Senior Services</u>			
Task force meeting costs	(\$13,600)	(\$2,720)	\$0
<u>Costs - Office of State Treasurer</u>			
Personal service costs (1.0 FTE)	(\$28,026)	(\$34,641)	(\$35,680)
Fringe benefits	<u>(\$12,685)</u>	<u>(\$15,679)</u>	<u>(\$16,149)</u>
Total <u>Cost</u> - Office of State Treasurer	<u>(\$40,711)</u>	<u>(\$50,320)</u>	<u>(\$51,829)</u>
FTE Change - STO	1.0 FTE	1.0 FTE	1.0 FTE
<u>Costs - Department of Corrections</u>			
Increase in incarceration and parole costs	\$0	(Unknown less than \$100,000)	(Unknown less than \$100,000)
<u>Transfer-Out - County Treasurers</u>			
Transfer-out of penalties collected	(Unknown)	(Unknown)	(Unknown)
Transfer-out of penalties collected	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$14,173)</u>	<u>(Unknown less than \$112,902)</u>	<u>(Unknown less than \$111,691)</u>
Estimated Net FTE Change for General Revenue Fund	1.0 FTE	1.0 FTE	1.0 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
CRIMINAL RECORDS FUND			
<u>Income - Missouri State Highway Patrol</u>			
Fingerprinting fees (Sections 324.1100 - 324.1148)	<u>\$0</u>	<u>\$8,400</u>	<u>\$256</u>
ESTIMATED NET EFFECT ON CRIMINAL RECORDS FUND	<u>\$0</u>	<u>\$8,400</u>	<u>\$256</u>
ATHLETIC FUND			
<u>Income - DIFP (Sections 317.007 - 317.019)</u>			
License fees	\$37,740	\$16,550	\$37,740
Gate tax revenue	<u>\$47,500</u>	<u>\$47,500</u>	<u>\$47,500</u>
Total <u>Income</u> - DIFP	\$85,240	\$64,050	\$85,240
<u>Costs - DIFP</u>			
Inspector training	(\$26,616)	(\$27,414)	(\$28,237)
Event reimbursement	<u>(\$11,400)</u>	<u>(\$11,742)</u>	<u>(\$12,094)</u>
Total <u>Cost</u> - DIFP	(\$38,016)	(\$39,156)	(\$40,331)
ESTIMATED NET EFFECT ON ATHLETIC FUND	<u>\$47,224</u>	<u>\$24,894</u>	<u>\$44,909</u>
HEARING INSTRUMENT SPECIALIST FUND			
<u>Transfer-in - Board of Registration for the Healing Arts Fund (Sections 345.015 - 346.110)</u>			
Transfer-in for reduction in application and renewal fees	\$0	\$60,200	\$0
<u>Loss - DIFP</u>			
Reduction in application and renewal fees	<u>\$0</u>	<u>(\$60,200)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON HEARING INSTRUMENT SPECIALIST FUND	<u>\$0*</u>	<u>\$0*</u>	<u>\$0*</u>

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
BOARD OF REGISTRATION FOR THE HEALING ARTS FUND			
<u>Income - DIFP (Sections 345.015 - 346.110)</u>			
Increase in licensing fees	\$0	\$60,200	\$0
<u>Transfer-Out - Hearing Instrument Specialist Fund</u>			
Transfer-out for reduction in application and renewal fees	<u>\$0</u>	<u>(\$60,200)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON BOARD OF REGISTRATION FOR THE HEALING ARTS FUND	<u>\$0*</u>	<u>\$0*</u>	<u>\$0*</u>
PRIVATE INVESTIGATOR EXAMINERS FUND			
<u>Transfer-In - DIFP (Sections 324.1100 - 324.1148)</u>			
Transfer from PR Fees Fund	\$110,763	\$0	\$0
<u>Income - DIFP</u>			
Licensure fees/renewals	\$0	\$299,250	\$9,120
<u>Costs - DIFP</u>			
Personal service costs (1.5 FTE)	(\$50,236)	(\$61,944)	(\$66,650)
Fringe benefits	(\$22,737)	(\$28,036)	(\$30,166)
Equipment and expense	(\$33,706)	(\$25,315)	(\$26,013)
AGO and AHC costs	<u>(\$4,084)</u>	<u>(\$5,048)</u>	<u>(\$5,199)</u>
Total <u>Costs - DIFP</u>	<u>(\$110,763)</u>	<u>(\$120,343)</u>	<u>(\$128,028)</u>
FTE Change - DIFP	1.5 FTE	1.5 FTE	1.5 FTE
ESTIMATED NET EFFECT ON PRIVATE INVESTIGATOR EXAMINERS FUND	<u>\$0</u>	<u>\$178,907</u>	<u>(\$118,908)</u>
Estimated Net FTE Change for Private Investigator Examiners Fund	1.5 FTE	1.5 FTE	1.5 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
PR FEES FUND			
<u>Transfer-Out - DIFP</u>			
Transfer to Private Investigator Examiners Fund	<u>(\$110,763)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON PR FEES FUND	<u>(\$110,763)</u>	<u>\$0</u>	<u>\$0</u>
* Transfers between funds and increase in fees nets to \$0.			
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
LOCAL GOVERNMENTS - SCHOOLS			
<u>Income - County Treasurers</u>			
Transfer-in of penalties collected	Unknown	Unknown	Unknown
Transfer-in of penalties collected	Unknown less than \$100,000	Unknown less than \$100,000	Unknown less than \$100,000
Total <u>Income</u> - County Treasurers	<u>Unknown less than \$100,000</u>	<u>Unknown less than \$100,000</u>	<u>Unknown less than \$100,000</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - SCHOOLS	<u>Unknown less than \$100,000</u>	<u>Unknown less than \$100,000</u>	<u>Unknown less than \$100,000</u>
LOCAL GOVERNMENTS - CITIES AND COUNTIES			
<u>Income - Cities and Counties</u>			
Gate revenue from sporting events	<u>\$26,363</u>	<u>\$26,363</u>	<u>\$26,363</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - CITIES AND COUNTIES	<u>\$26,363</u>	<u>\$26,363</u>	<u>\$26,363</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
LOCAL GOVERNMENTS - COUNTY PROSECUTORS			
<u>Costs - County Prosecutors</u>			
Increase in criminal prosecutions	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - COUNTY PROSECUTORS			
	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>	<u>(\$0 to Unknown)</u>

FISCAL IMPACT - Small Business

The proposal will impact small businesses in any of the professions included in this proposal.

FISCAL DESCRIPTION

CHRONIC KIDNEY DISEASE TASK FORCE (Section 192.632)

This proposal creates the task force to educate the public and health care professionals about early screenings and other preventative measures and practice techniques.

BOXING, SPARRING, WRESTLING, KICKBOXING, AND FULL-CONTACT KARATE
 (Sections 317.001, 317.006, 317.011, 317.013, 317.015, 317.018, 317.019)

This proposal modifies laws relating to the power of the Office of Athletics to regulate boxing, sparring, wrestling, kickboxing and full-contact karate contests.

PRIVATE INVESTIGATORS (Sections 324.1100 - 324.1148 and 621.045)

The "Board of Private Investigator Examiners" is created within the Division of Professional Registration in the Department of Insurance, Financial Institutions and Professional Registration.

The Board consists of five members appointed by the Governor with the advice and consent of the Senate. Each member must be a U.S. citizen, Missouri resident, at least 30 years old, and actively engaged as a private investigator for at least five years. Board members will serve staggered terms of two years.

FISCAL DESCRIPTION (continued)

The Board of Private Investigator Examiners Fund is also created. The proposal makes it unlawful for persons to engage in the private investigator business unless licensed. Attorneys, collection agencies, and insurers are exempted from licensure. Application requirements are specified. Licensees must be at least 21, a U.S. citizen, and comply with qualifications set by the Board. Persons must also provide proof of liability insurance of at least \$250,000, and proof of workers' compensation insurance.

The Board shall ensure applicants complete a course of training conducted by a certified trainer; pass a written examination; and submit to an oral interview with the Board. Complete background checks will be conducted on all applicants. The proposal grandfathers current private investigators and a license will be issued to such persons who show registration and good standing as a business for two years and \$250,000 in business general liability insurance. The Board is given authority to review reciprocity applications. Grounds for denial of licensure are specified.

Persons hired by private investigators must apply for agency licenses separately. The proposal specifies standards for employees of agencies. The proposal sets continuing education requirements – 16 hours biennially for licensees and 8 hours for employees of agencies.

The Board shall set the fees for licensure. Licenses must be posted in a conspicuous place in the principal place of business of the licensee. Pocket cards will also be issued to licensees. Licenses shall expire two years after issuance and provisions for renewal are provided.

Licensees may divulge to the Board, law enforcement officers, or a prosecuting attorney information acquired as to any criminal offense. Licensees are prohibited from: knowingly making a false report; causing a report to be submitted that the licensee has not exercised due diligence in ascertaining the facts; giving the impression that the licensee is connected with the federal or state government or any political subdivision; appearing as an assignee in any proceeding; manufacturing false evidence; or creating a video of any person in their home without that person's permission.

Restrictions on record keeping and advertising are specified. License disciplinary procedures are specified. The Board is given rulemaking authority.

The Board shall certify qualified trainers of private investigators. Persons who knowingly falsify fingerprints or photographs required to be submitted is a Class D felony. Violation of other provisions is a Class A misdemeanor unless it is a second or subsequent violation in which case it is a Class D felony.

FISCAL DESCRIPTION (continued)

Provisions for licensure of current law enforcement officers and limitations on their conduct are specified.

ARCHITECTS, ENGINEERS, LAND SURVEYORS, LANDSCAPE ARCHITECTS (Sections 327.011, 327.076, 327.077, 327.181, 327.441)

The proposal authorizes the Missouri Board for Architects, Professional Engineers, Professional Land Surveyors and Landscape Architects to impose civil penalties against licensed and unlicensed persons. Any person who practices architecture, engineering, land surveying or landscape architecture without a valid license may be subject to an administrative action by the board to seek a civil penalty. The board may initiate investigations against the unlicensed person and may issue subpoenas to compel attendance and testimony of witnesses.

The complaint must be filed with the Administrative Hearing Commission, which shall conduct a hearing and issue its findings of fact and conclusions of law. The duties of the commission are amended to include the ability to hear such cases. If the commission finds the unlicensed person has violated this act, then the board may issue a civil penalty not to exceed \$5,000 for each day of violation, with a maximum penalty of \$25,000. The unlicensed person has the right to appeal the order imposing the fine to a circuit court. Once the case is final, and the penalty is not timely paid, the Attorney General may commence an action to recover the penalty, including reasonable attorney fees and costs and a surcharge of 15% of the penalty plus 10% per year on any amounts owed. The validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

An unlicensed person may use a form of the word "engineer" without being subject to disciplinary action if the use is reflective of that person's profession and does not imply that the person is holding himself or herself out as being a professional engineer.

NURSES (335.016 - 335.097, 383.130, and 383.133)

The proposal defines "lapsed license status", "retired license status", and "temporary nursing staffing agency" and establishes notice and service requirements for disciplinary hearings before the full board.

The State Board of Nursing may establish an impaired nurse program and require nurses to enter treatment as a condition for licensure.

FISCAL DESCRIPTION (continued)

The State Board of Nursing may request an expedited hearing from the Administrative Hearing Commission, if the board concludes the nurse has committed an act constituting clear and present danger to the public health and safety. After 15 days from the complaint, and after a preliminary hearing, the board may immediately restrict or suspend the license. Temporary authority to restrict or suspend the license becomes final if the nurse does not request a full hearing within thirty days. Dismissal of the action does not preclude subsequent action on the same grounds.

Documentation relating to an unsubstantiated claim and those not constituting a violation are deemed sealed records under the proposal. Sealed records shall not be disclosed without written permission of the licensee. The board must notify the licensee if it seals any records in relation to that professional.

The act stipulates that reports made to the board are not in violation of the Federal Health Insurance Portability and Accountability Act.

Under current law, officials of hospitals and ambulatory surgical centers must report disciplinary actions taken against a licensed health care professional to their respective licensing authority. This proposal requires temporary nursing staffing agencies to do the same and requires the facts to be described with as much detail and information as possible.

REAL ESTATE BROKERS AND AGENTS (Sections 339.100, 339.200, 339.205)

The Real Estate Commission is authorized to impose civil penalties upon licensed and unlicensed individuals in the same manner described in the above sections relating to architects, engineers, land surveyors, and landscape architects.

AUDIOLOGISTS (Sections 345.015 - 345.055 and 346.015 - 346.110)

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

Licensed audiologists 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.

Under current law, hearing instrument retailers must employ a licensed hearing aid specialist. Under the proposal, the retailers may employ a licensed audiologist in lieu of a specialist.

FISCAL DESCRIPTION (continued)

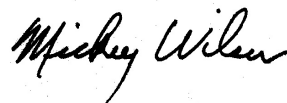
The proposal also phases in education requirements for applicants for instrument specialist licenses or hearing instrument specialist-in-training permits.

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

SOURCES OF INFORMATION

Office of Attorney General
Office of Administration - Administrative Hearing Commission
Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Insurance, Financial and Professional Regulation
Department of Health and Senior Services
Department of Revenue
Department of Social Services
Department of Public Safety -
 Director's Office
 Missouri State Highway Patrol
Office of the Governor
Office of Prosecution Services
Missouri Senate
Office of Secretary of State
Office of State Public Defender
Office of State Treasurer

NOT RESPONDING: Department of Corrections



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Bill No. Truly Agreed To and Finally Passed CCS No. 2 for HCS for SCS for SB 308

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June 15, 2007

Mickey Wilson, CPA

Director

June 15, 2007