

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0576-01
Bill No.: SB 106
Subject: Veterans; Licenses - Professional; Education, Higher
Type: Original
Date: January 30, 2013

Bill Summary: This proposal requires higher education institutions to accept credits for military courses and professional licensing boards must consider military qualifications when considering licensing.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Colleges and Universities	(Expected to be less than \$100,000)	(Expected to be less than \$100,000)	(Expected to be less than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Expected to be less than \$100,000)	(Expected to be less than \$100,000)	(Expected to be less than \$100,000)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
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 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§192.360 and 324.007 - Professional licensing

According to officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)**, the proposed legislation has an unknown cost to DIFP, contingent on board staff and board members' ability to convert education/training into compliance with licensure/examination requirements. Examination requirements for some boards are set by national testing companies.

Oversight assumes DIFP would be able to comply with the provisions of this proposal with existing resources. If additional resources are needed, DIFP can request them through the appropriations process.

§173.1158 - College credit for military courses

Officials from the **Kansas City Metropolitan Community College** assume this proposal would have a negative, although unknown, fiscal impact on their college.

Officials from **Linn State Technical College** assume an unknown fiscal impact on their college.

Officials from the **University of Central Missouri** estimate fiscal impact of no more than \$45,000 annually, and that only in the event the number of students who are veterans are a significant number that would require an additional staff member (salary plus benefits) to examine course equivalencies.

Northwest Missouri State University officials state Northwest currently has a minor in Military Science, so they already accept many of the types of courses outlined in the proposal for credit. The ultimate financial impact would be based on lost revenue of course credits to reach 124 credit hours. The resulting financial impact would be minimal.

Officials from **St. Charles Community College** anticipate an unknown cost to evaluate military records.

Officials from the **University of Missouri System** assume minimal fiscal impact resulting from this proposed legislation.

ASSUMPTION (continued)

Officials from **Missouri Southern University** state an indeterminate fiscal impact at this time.

Oversight assumes, based on the responses from colleges and universities, that the cumulative fiscal impact of this proposal would be less than \$100,000 per year, beginning with the 2014-2015 academic year.

Officials from the **Department of Higher Education (DHE)** state that although the proposal would have no direct, foreseeable fiscal impact on DHE, the Coordinating Board of Higher Education and DHE have limited statutory authority over private and proprietary institutions of higher education and would be unable to enforce the bill's provisions with regard to these Missouri institutions.

According to officials from the **Office of Secretary of State (SOS)**, many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS's office 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 fiscal note to Secretary of State's office for Administrative Rules is less than \$2,500. SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, 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 their office can sustain with their core budget. Therefore, SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal with core funding. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the

Officials from the **Department of Public Safety - Missouri National Guard** and the **Missouri Veterans Commission, Department of Health and Senior Services, Joint Committee on Administrative Rules, and Missouri State University** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (6 Mo.)	FY 2015	FY 2016
COLLEGES AND UNIVERSITIES			
<u>Cost - Colleges and Universities</u>			
§173.1158 - Course evaluation	(Expected to be less than <u>\$100,000</u>)	(Expected to be less than <u>\$100,000</u>)	(Expected to be less than <u>\$100,000</u>)
ESTIMATED NET EFFECT ON COLLEGES AND UNIVERSITIES	(Expected to be less than <u>\$100,000</u>)	(Expected to be less than <u>\$100,000</u>)	(Expected to be less than <u>\$100,000</u>)
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2014 (6 Mo.)	FY 2015	FY 2016
	<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

§173.1158 - College credit for military courses

This section of the proposal requires higher education institutions to accept credits for courses that the military awarded to personnel as part of their military training if the courses meet certain standards for academic credit.

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 Higher Education
Department of Insurance, Financial Institutions and Professional Registration
Department of Public Safety
 Missouri National Guard
 Missouri Veterans Commission
Office of Secretary of State
 Administrative Rules Division
Department of Health and Senior Services
Joint Committee on Administrative Rules
Colleges and Universities
 Missouri Southern State University
 University of Missouri System
 St. Charles Community College
 Linn State Technical College
 Missouri State University
 Kansas City Metropolitan Community College
 Northwest Missouri State University
 University of Central Missouri



Ross Strope
Acting Director
January 30, 2013