

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1516-02
Bill No.: Truly Agreed To and Finally Passed SCS for HB 878
Subject: Law Enforcement Officers and Agencies; Public Safety Department
Type: Original
Date: May 29, 2015

Bill Summary: This proposal modifies provisions relating to the licensing and commissioning of corporate security advisors by the Department of Public Safety.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety (DPS)** state Section 590.750 requires DPS to regulate and license all corporate security advisors in the state. It also gives the director the sole authority to commission corporate security advisors and requires the department to establish a minimum amount of liability insurance to be provided by the prospective or current employer.

DPS stated the addition of the program will necessitate the hiring of a Program Representative II at \$30,170 annually. DPS estimates the annual cost for this FTE to be approximately \$55,000 per year.

Officials from the **Office of Administration - Budget and Planning (B&P)** state this bill authorizes the Department of Public Safety to charge a fee of up to \$200 for licensure of corporate security advisors. B&P assumes license and fee requirements will be outlined in rules promulgated by the department.

Based on data provided by DPS, B&P assumes that DPS will collect fees up to \$200 from approximately 142 applicants/licensees and that these licensees will pay the license fee annually upon renewal.

142 licensees X \$200 license fee = \$28,400

Since all eligible licensees will be able to obtain licensure once the rules take effect, B&P estimates that the Department of Public Safety will collect anywhere from \$0 to \$28,400 annually in fees for licensure of corporate security advisors starting in FY2016.

Oversight notes the corporate security advisors program within DPS was established by SB 656 from the 2014 legislative session. On the fiscal note for that bill, Oversight reflected DPS' additional FTE along with income from licensing fees and renewal fees from the corporate security officers program. Oversight assumes this proposal only modifies the requirements of the program; therefore, Oversight will not reflect additional cost or fee revenue to DPS from this bill.

Officials from the **Office of the State Courts Administrator** assume the proposal would not fiscally impact their agency.

In response to a similar proposal from this year (SB 408), officials from the **City of Kansas City** assumed the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<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.

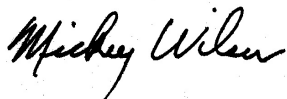
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Public Safety
Office of the State Courts Administrator
Office of Administration - Budget and Planning
City of Kansas City



Mickey Wilson, CPA
Director
May 29, 2015

Ross Strobe
Assistant Director
May 29, 2015

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