

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4327-01  
Bill No.: SB 839  
Subject: Drugs and Controlled Substances; Veterinarians; Animals; Professional Registration and Licensing; Department of Insurance, Financial Institutions and Professional Registration  
Type: Original  
Date: January 14, 2016

Bill Summary: This proposal establishes provisions relating to certified euthanasia technicians.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Professional Registration Fees Fund*	\$0	\$0	\$0
Veterinary Medical Board Fund	(\$69,499)	\$102,819	(\$53,002)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>(\$69,499)</b>	<b>\$102,819</b>	<b>(\$53,002)</b>

\*Expenses and Income net to zero.

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 2017</b>	<b>FY 2018</b>	<b>FY 2019</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Professional Registration Fees Fund	1	1	1
<b>Total Estimated Net Effect on FTE</b>	<b>1</b>	<b>1</b>	<b>1</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration - Division of Professional Registration (DIFP)** estimate, based on the information received from a representative of the group seeking the proposal, 1,000 individuals in the state of Missouri will be required to be certified. In addition, a 3% growth has been estimated. A board of similar size is the Board of Optometry.

The follow board specific-expenses are being calculated to determine additional appropriation needed by the division to support the board. One FTE, a Processing Technician II (\$26,652 annually) is needed to provide technical support, process applications for registration and examinations, and respond to inquiries related to the law and/or rules and regulations. Printing and postage expenses for the first year include printing of rules, applications, letterhead and envelopes, as well as costs associated with mailings associated with initial certifications. Subsequent year's printing and postage is based on a board of similar size (1,000 registrations x \$12.50 = \$12,5000 FY17; \$1,728 FY18 and FY19).

During the first year of implementation, costs are calculated for the design, program and implementation of the licensure program for new boards (18 hours x \$30.00 = \$540.00 Licensure System Costs). Based on a board of similar size, it is estimated that the board will receive approximately 23 complaints. The division does not anticipate receiving any complaints until FY18. It is estimated that 30% of the complaints filed would require field investigations. It is estimated that 50% of the complaints that are investigated would require an investigator to incur overnight expenses. Therefore, the following travel expenses have been calculated for investigations (4 Investigations requiring overnight stay x \$157.00 = \$628.00).

Boards within the division incur division-wide expenses based on specific board licensee averages (in this case certifications/registrations), in addition to the department and Office of Administration cost allocation plans. The following expenses are based on a board of similar size and will not require additional appropriation for the PR Transfer Core budget; however, these costs will be considered in calculating the anticipated certification fees.

Maintenance of Licensing System -	\$2,403
Division Operating Expenses -	\$1,063
Division Personal Service Expenses -	\$4,941
Department Cost Allocation -	<u>\$532</u>
Total Additional Expenses-	\$8,939

ASSUMPTION (continued)

The projected revenue reflects the fees of \$160,000 in FY18 (\$160 x 1,000 certifications) and \$4,800 in FY19 (3% growth) for euthanasia technician certification. In addition, a 3% growth rate has been estimated. It is estimated that the collection of registration and examination fees will begin in FY18. It is also important to note, that once the fees for the board are established by rule other fees could offset the estimated costs. Certification fee to be \$160, with a biennial renewal.

It is assumed that all fees collected would be deposited into the Veterinary Medical Board Fund and that all expenses would be paid out of that fund. It is assumed no revenue will be generated for euthanasia technician certifications by the Veterinary Medical Board in the first year, 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 324.016, RSMo. It is estimated payback of any outstanding loans would be made in FY 2021. However, should the number of certifications largely vary from the number estimated above, the licensure fees will be adjusted accordingly.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<b>PROFESSIONAL REGISTRATION FEES FUND</b>			
<u>Costs - DIFP</u>			
Salaries	(\$22,210)	(\$26,919)	(\$27,188)
Fringe Benefits	<u>(\$14,478)</u>	<u>(\$17,446)</u>	<u>(\$17,520)</u>
<u>Total Costs - DIFP</u>	(\$36,688)	(\$44,365)	(\$44,708)
FTE Change - DIFP	1 FTE	1 FTE	1 FTE
 <u>Transfer In - From Veterinary Medical Board Fund</u>	 <u>\$36,688</u>	 <u>\$44,365</u>	 <u>\$44,708</u>
 <b>ESTIMATED NET EFFECT ON PROFESSIONAL REGISTRATION FEES FUND</b>			
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
 Estimated Net FTE Change on the Public Service Commission Fund	 1 FTE	 1 FTE	 1 FTE
 <b>VETERINARY MEDICAL BOARD FUND</b>			
<u>Income - Certification Fees</u>	\$0	\$160,000	\$4,800
<u>Costs - DIFP</u>			
Equipment and Expenses	(\$23,872)	(\$3,654)	(\$3,702)
<u>Transfer Out - to PR Transfer Core</u>	(\$8,939)	(\$9,162)	(\$9,392)
<u>Transfer Out - to PR Fees Fund</u>	<u>(\$36,688)</u>	<u>(\$44,365)</u>	<u>(\$44,708)</u>
 <b>ESTIMATED NET EFFECT ON VETERINARY MEDICAL BOARD FUND</b>	 <b><u>(\$69,499)</u></b>	 <b><u>\$102,819</u></b>	 <b><u>(\$53,002)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<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.

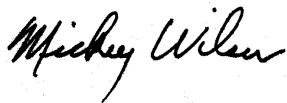
FISCAL DESCRIPTION

The proposal will require euthanasia technicians to be certified by the Department of Insurance, Financial Institutions and Professional Registration.

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 Insurance, Financial Institutions and Professional Registration



Mickey Wilson, CPA  
Director  
January 14, 2016

Ross Strobe  
Assistant Director  
January 14, 2016