

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5808-02  
Bill No.: SB 926  
Subject: Boards, Commissions, Committees and Councils; Health Care; Health Care Professionals; Physicians; Professional Registration and Licensing  
Type: Original  
Date: February 16, 2018

Bill Summary: This proposal licenses persons performing radiologic imaging or administering radiation therapy and establishes the Missouri Radiologic Imagine and Radiation Therapy Board of Examiners.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
<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 2019	FY 2020	FY 2021
Healing Arts Fund	\$432,679	(\$695,512)	\$742,610
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$432,679</b>	<b>(\$695,512)</b>	<b>\$742,610</b>

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 2019</b>	<b>FY 2020</b>	<b>FY 2021</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 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>
Healing Arts Fund	7 FTE	7 FTE	7 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>7 FTE</b>	<b>7 FTE</b>	<b>7 FTE</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 2019</b>	<b>FY 2020</b>	<b>FY 2021</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 (DIFP)** assume the following:

#### Licensee/Revenue

29,000	Estimated Licensees
\$50.00	Initial License Fee
\$50.00	Renewal License Fee
Biennial	Renewal Cycle

- In the current language of this proposed legislation, an individual is required to register with the department according to the provisions of section 334.1005.
- Projected revenue reflects fees collected for all categories of licensure
- A 3% growth rate has been estimated (870 additional initial licensees each year)
- It is estimated that the collection of initial license fees will begin in FY 2019 and renewal fees will not be collected until FY 2021
- If the number of licensees largely vary from the number estimated above, the licensure fees will be adjusted accordingly

DIFP estimates a total revenue of \$1,450,000 (29,000 licensees \* \$50 fee) in FY 2019, \$43,500 (870 licensees \* \$50 fee) in FY 2020 and \$1,450,000 (29,000 licensees \* \$50 fee) in FY 2021.

The following board-specific expenses are being calculated to determine the additional appropriation needed by the division to support the board and to assist in calculating the anticipated license and renewal fees.

#### Staffing

1 Legal Counsel (\$55,157/annually) is needed to work with establishing rules for licensure and enforcement and as well as answering questions regarding applications and litigating cases before the board and the administrative hearing commission (AHC).

1 Paralegal (\$31,766/annually) is needed to assist legal counsel with litigation preparation and drafting rules.

ASSUMPTION (continued)

4 Processing Technicians II (\$27,180 each/ annually) is needed to provide technical support, process applications for licensure, and respond to inquiries related to the licensure law and/or rules and regulations.

1 Investigator II (\$38,304/annually) is needed to conduct investigations and inspections, serve notices, and gather information required by the board.

7 Board Member Per Diem. Board members receive a \$70 per diem and board meeting are for 1 day and occur 4 times a year. ( $\$70 \times 1 \times 4 = \$280$ ) ( $\$280 \times 7 = \$1,960$ .)

Complaints and Investigations

It is estimated the board will receive approximately 279 complaints. The division does not anticipate receiving any complaints until FY 2020. It is estimated 30% of the complaints filed will require field investigations with 50% requiring overnight travel or (42).

In summary, DIFP assumes a cost of \$1,017,321 in FY 2019, \$739,012 in FY 2020 and \$750,890 in FY 2021 to provide for the implementation of the changes in this proposal.

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 the Secretary of State's Office for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize 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 our office can sustain with our core budget. Therefore, we reserve 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. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials from the **Joint Committee on Administrative Rules** state this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
<b>HEALING ARTS FUND</b>			
<u>Revenue - DIFP</u> \$50 filing fee	\$1,450,000	\$43,500	\$1,493,500
<u>Cost - DIFP</u>			
Personal Service	(\$198,876)	(\$240,207)	(\$242,570)
Fringe Benefits	(\$121,414)	(\$146,275)	(\$146,977)
Printer and Postage (first year)	(\$362,500)	\$0	\$0
Expense and Equipment	(\$102,262)	(\$81,910)	(\$83,958)
Other Fund Cost	(\$232,269)	(\$270,062)	(\$277,385)
<u>Total Cost - DIFP</u>	<u>(\$1,017,321)</u>	<u>(\$739,012)</u>	<u>(\$750,890)</u>
FTE Change - DIFP	7 FTE	7 FTE	7 FTE
<b>ESTIMATED NET EFFECT TO THE HEALING ARTS FUND</b>	<b><u>\$432,679</u></b>	<b><u>(\$695,512)</u></b>	<b><u>\$742,610</u></b>
Estimated Net FTE Change to the Healing Arts Fund	7 FTE	7 FTE	7 FTE
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

This proposal could have a fiscal impact on Radiologic Imaging and radiation therapy small businesses.

FISCAL DESCRIPTION

After January 1, 2019, this act requires licensure by the State Board of Registration for the Healing Arts in order to perform radiologic imaging or radiation therapy procedures on humans for diagnostic or therapeutic purposes. The act authorizes the Board to establish licensure and scope of practice standards for any person performing nuclear medicine technology, radiation therapy, radiography, and radiologist assistant procedures and to limited x-ray machine operators.

FISCAL DESCRIPTION (continued)

This act creates the Radiologic Imaging and Radiation Therapy Advisory Committee, which shall guide, advise, and make recommendations to the Board in matters relating to radiologic imaging and radiation therapy.

The Board has the power to: promulgate rules for the issuance of licenses, charge and collect fees, promulgate rules for the denial, suspension, revocation, or refusal to renew a license, create alternative licensure requirements for remote areas of the state, and other actions as described in the act.

A person who violates any provision of the act shall be guilty of a Class A misdemeanor. The Board may assess a civil penalty after factors set forth in the act are considered.

Someone currently engaged in the practice of radiologic imaging and radiation therapy may be exempted from the licensure requirement, if he or she complies with specific requirements as described in the act.

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  
Office of the Secretary of State  
Joint Committee on Administrative Rules

Ross Strobe



Acting Director  
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