

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5970-01
Bill No.: SB 931
Subject: Compacts; Emergencies; Health Care
Type: Original
Date: February 15, 2018

Bill Summary: This proposal enacts the Recognition of EMS Personnel Licensure Interstate Compact (REPLICA).

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|-----------------|-----------------|-----------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| General Revenue | \$72,000 | \$72,000 | \$72,000 |
| Total Estimated Net Effect on General Revenue | \$72,000 | \$72,000 | \$72,000 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|-----------------|-----------------|-----------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| Criminal Records | \$30,600 | \$30,600 | \$30,600 |
| Total Estimated Net Effect on <u>Other</u> State Funds | \$30,600 | \$30,600 | \$30,600 |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2019 | FY 2020 | FY 2021 |
| | | | |
| | | | |
| 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 2019 | FY 2020 | FY 2021 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Service (DHSS)** state Section 190.142.1(2) explicitly addresses "initial licensure". However, the subparagraph also states, "Any fees due for a criminal background check shall be paid by the applicant." Therefore, DHSS interprets the language to require applicants for Emergency Medical Services (EMS) licenses to pay for the cost of background checks for both initial licensure and all subsequent license renewals.

DHSS would no longer need to pay for criminal background checks for all applicants. Currently, the EMS conducts criminal background checks for all applicants through the Missouri State Highway Patrol (MSHP). In FY 2017, EMS expended approximately \$72,000 on background screenings. Based on the expenditures from 2017, there would be a positive impact to general revenue in the amount of \$72,000.

Section 334.1503.3(4)

Pursuant to Chapter 190.142.1, RSMo, the EMS conducts criminal records checks for all applicants through the MSHP. DHSS assumes there will not be a significant increase in the number of background checks; therefore, current staff will be able to accommodate these.

Section 334.1518.6

This provision expands the EMS investigative authority to include investigations conducted out of state. While the variables of what activity constitutes "reported conduct" and what level of responsibility the investigative authorities in the remote state will have, DHSS assumes there will not be a significant increase in the number of investigations conducted out of state; therefore, these activities will be accomplished with current staff and funding.

Section 334.1521(1)

The number of subpoenas issued under this section is unknown. DHSS assumes there will not be a significant number of subpoenas for attendance and testimony of witnesses or the production of evidence; therefore, these activities will be accomplished with current staff and funding.

Section 334.1524.5(3)

DHSS assumes the commission will receive sufficient revenue through other sources so an annual assessment will not be imposed on the state of Missouri.

Oversight notes that DHSS' response to this bill is quite different from previous years' (i.e. HB 100 in 2017). DHSS noted that there is more data on the compact now and other states have indicated that only some minimal travel costs should be anticipated and that there has been no influx of new applicants in the other states.

ASSUMPTION (continued)

Officials from the **Department of Public Safety (DPS), Missouri State Highway Patrol (MHP)** provide the following assumptions:

§334.1503.2(4) - Background checks

During 2017, the Department of Health and Senior Services conducted approximately 3,400 name-based criminal record checks for Emergency Medical Technician (EMT) licensing. This number accurately reflects the number of emergency medical personnel that would be required to obtain a state and federal fingerprint-based criminal record check with the passage of this legislation. This requirement would take effect no later than five (5) years after approval of the Emergency Medical Services Compact. For purposes of this fiscal note, the MHP assumes this legislation will take effect August 28, 2018.

The cost for a fingerprint-based background check to include state and federal open and closed records is as follows:

State fee: \$20
FBI fee: \$12 (\$2 of the federal fee is retained by the Central Repository as a pass-through fee)
Total: \$32

| | |
|--|----------------|
| 3,400 applicants annually X \$32 = \$108,800 | |
| State fee portion deposited in the Criminal Records Fund = 3,400 X \$20 = \$68,000 | |
| Federal pass through fee retained by Central Repository = 3,400 X \$2 = | <u>\$6,800</u> |
| Total | \$74,800 |

The funds currently generated as a result of the name-based checks is 3,400 X \$13 = \$44,200. Therefore, the total increase in revenue deposited in the Criminal Record System Fund (new fingerprint background check cost + federal pass through fee - existing cost of name-based check is \$30,600 (\$74,800 - \$44,200).

Oversight notes that the Recognition of EMS Personnel Licensure Interstate Compact (REPLICA) has been passed by 12 states and is now active.

Oversight also notes that section 334.1503.3(4) provides that “no later than five years after activation of the compact” that criminal background checks of all applicants for initial licensure must be compliant with the requirements of the FBI. DHSS may implement the fingerprint provisions anytime within 5 years of passage of the compact. However, based on DHSS’ response regarding savings of \$72,000 annually as a result of no longer having to pay for

ASSUMPTION (continued)

background check fees, **Oversight** assumes DHSS would implement the provisions of this proposal upon passage of the bill. Therefore, savings to the General Revenue Fund for DHSS no longer paying for background checks and fingerprint income into the Criminal Records Fund are assumed to begin in FY19.

Officials from the **Office of Attorney General (AGO)** assume any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation.

Officials from the **Office of State Courts Administrator (OSCA)** state this proposal may have some impact, but there is no way to quantify that impact at the present time. Any significant changes will be reflected in future budget requests.

Officials from the **Office of the Governor** and the **Joint Committee on Administrative Rules** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state 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 SOS 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, the 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 the office can sustain with the core budget. Therefore, the 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. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

| <u>FISCAL IMPACT - State Government</u> | FY 2019 (10 Mo.) | FY 2020 | FY 2021 |
|--|------------------------|------------------------|------------------------|
| GENERAL REVENUE FUND | | | |
| <u>Savings - DHSS (§190.142.1(2))</u> | | | |
| Reduction in background check fees paid | <u>\$72,000</u> | <u>\$72,000</u> | <u>\$72,000</u> |
| ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND | <u>\$72,000</u> | <u>\$72,000</u> | <u>\$72,000</u> |
| CRIMINAL RECORDS FUND | | | |
| <u>Income - DPS (§334.1503.2(4))</u> | | | |
| Increase in background check fees | <u>\$30,600</u> | <u>\$30,600</u> | <u>\$30,600</u> |
| ESTIMATED NET EFFECT ON THE CRIMINAL RECORDS FUND | <u>\$30,600</u> | <u>\$30,600</u> | <u>\$30,600</u> |
| | | | |
| <u>FISCAL IMPACT - Local Government</u> | FY 2019 (10 Mo.) | FY 2020 | FY 2021 |
| | <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

This act authorizes Missouri to become a member state of the Recognition of EMS Personnel Licensure Interstate Compact and to adopt the provisions of authorization as specified in the act. The purpose of the Compact is to facilitate the exchange of information between member states regarding EMS personnel licensure, adverse actions, and significant investigatory information.

FISCAL DESCRIPTION (continued)

Applicants for initial licensure as an emergency medical technician submitted after the recognition of the Compact shall submit to a background check as provided 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 Health and Senior Services
Office of Attorney General
Department of Public Safety -
 Missouri State Highway Patrol
Office of the Governor
Joint Committee on Administrative Rules
Office of State Courts Administrator
Office of Secretary of State

Ross Strope



Acting Director
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