

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1430-01
Bill No.: Perfected SB 358
Subject: Education, Higher; Health Care; Health Care Professionals; Health and Senior Services Department; Mental Health; Physicians
Type: Original
Date: March 28, 2019

Bill Summary: This proposal modifies provisions relating to the Health Professional Student Loan Repayment Program.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§191.603, 191.605 and 191.615 - Adds psychiatrists to list of eligible persons for loan repayment

Oversight notes that the **Department of Higher Education**, the **Department of Health and Senior Services (DHSS)** and the **Department of Mental Health** have each stated the proposal would not have a direct fiscal impact on their respective organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

Oversight obtained information from the DHSS website and FY 2020 budget request regarding the Health Professional Student Loan Repayment Program (Program). The Program provides up to \$50,000 in financial assistance to help professionals reduce educational debt and practice in a Health Professional Shortage Area for two years. In FY 2018, DHSS awarded loans to 16 individuals through the Program and anticipates providing 20 awards in each FY 2019 and FY 2020. This proposal expands eligibility for the Health Professional Student Loan Repayment Program to include psychiatrists. The proposal does not require the DHSS to fund any additional candidates; it only increases the number of applicants that may receive funds and, therefore, would have no fiscal impact for purposes of the fiscal note.

DHSS indicated that funding for the program is composed entirely of Federal grant monies and donations (no General Revenue) and assumes the program will continue to receive the same amount of funding each year. Therefore, DHSS assumes the proposal will have no fiscal impact.

Oversight determined that in FY 2018, 16 applicants received funding through the Health Professional Student Loan Repayment Program. DHSS officials provided information stating candidates are chosen based on the area of the state they intend to work. Candidates planning on working in areas with the highest Health Professional Shortage Area (HPSA) scores receive funding first and funds are distributed from highest to lowest HPSA scores until funds run out.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2020
(10 Mo.)

FY 2021

FY 2022

\$0

\$0

\$0

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 Higher Education
Department of Social Services
Department of Mental Health



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Director
March 28, 2019

Ross Strope
Assistant Director
March 28, 2019