

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4438-06
Bill No.: Truly Agreed To and Finally Passed CCS for SS for HCS for HB 2046
Subject: Licenses, Miscellaneous; Professional Registration and Licensing
Type: Original
Date: June 8, 2020

Bill Summary: This proposal modifies provisions relating to professional registration.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue Fund	(\$89,183)	(\$84,015)	(\$84,781)
Total Estimated Net Effect on General Revenue	(\$89,183)	(\$84,015)	(\$84,781)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Missouri State Coroners' Training Fund	\$296,235	\$355,482	\$355,482
Various DCI Funds	(Could be greater than \$106,851)	(Could be greater than \$94,240)	(Could be greater than \$95,314)
Total Estimated Net Effect on Other State Funds	Could be less than \$189,384	Could be less than \$261,242	Could be less than \$260,168

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 13 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2021	FY 2022	FY 2023
General Revenue Fund	1 FTE	1 FTE	1 FTE
Various DCI Funds	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 FTE

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 2021	FY 2022	FY 2023
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§58.035 - Jayke Minor Act/Coroner standards and training commission

Officials from the **Governor's Office (GOV)** state this section establishes the "Coroner Standards and Training Commission" which will be composed of eight (8) members appointed by the GOV.

There should be no added cost to the GOV as a result of this measure.

Oversight notes the provisions of §58.035 provide the Coroner Standards and Training Commission is to be established within DHSS. The Commission is to meet at least twice each year. No member of the Commission is to receive any compensation for the performance of official duties. Once the Commission has developed standards, a report will be submitted to the speaker of the house of representatives and the president pro tempore of the senate and be published on DHSS' website.

Oversight contacted DHSS officials regarding potential costs associated with the Commission. DHSS assumes the Commission will require minimal work and that work will fall within the course of normal duties for the department. Any costs incurred will minimal and absorbable within current funding levels.

§§58.208 and 193.265 - Death certificate fees and State Coroners' Training Fund

Officials from the **Department of Health and Senior Services (DHSS)** stated the Bureau of Vital Records (BVR) and Local Public Health Agencies (LPHAs) issue on average 355,482 death certificates each year. Per 193.265, RSMo, the BVR and LPHAs already collect a thirteen dollar fee for each initial copy and a ten dollar fee for each additional death certificate ordered at the same time. The proposed legislation requires the collection of an additional one dollar fee for each death certificate issued to be deposited into an additional fund, the Missouri State Coroners' Training Fund.

This would generate state revenue into the Missouri State Coroners' Training Fund in the amount of \$296,235 for FY2021 and \$355,482 for FY2022 and FY2023.

Collecting the additional dollar at time of issuance and performing accounting procedures to report and submit the fees daily to DHSS Fee Receipts Office would be absorbed within current operations. However, in order to have the additional dollar deposited to the credit of this new fund, an ITSD system change would need to occur.

ASSUMPTION (continued)

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the fees collected by DHSS and LPHAs that will be deposited into the Missouri State Coroners' Training Fund as provided by DHSS for fiscal note purposes.

Officials from the **Office of Administration (OA), Information Technology Services Division (ITSD)/DHSS** state the provisions of §58.208 will have a fiscal impact on the General Revenue Fund (GR). It is assumed that every new IT project/system will be bid out because all ITSD resources are at full capacity. The consultant rate of \$95 per hour is an estimated rate based on current contract(s) pricing.

The provisions of this proposal require modification of existing mainframe programs to accommodate an additional fee of \$1 for any death certificate issued, which will be deposited into the Missouri State Coroners' Training Fund. No additional on-going maintenance is indicated as the changes are to existing programs. Modifications will include a change to the default cost of a death certificate in the issuance application.

Necessary system changes are estimated to require 116.64 hours x \$95/hr = **\$11,081** in GR funding for FY 2021.

Officials from the **OA, Budget & Planning (B&P)** state §58.208, RSMo, establishes the Missouri State Coroners' Training Fund, which would receive one dollar of the death certificate fees collected under §193.265, RSMo, to be used by the Missouri Coroners' and Medical Examiners' Association (MCMEA) for in-state training, equipment, supplies, and aid to MCMEA approved training programs.

§193.265, RSMo, would be amended to increase the fee for a certified copy of a death certificate from \$13 to \$14 for the first copy obtained, and from \$10 to \$11 for subsequent copies. This \$1 fee increase would be distributed to the Missouri State Coroners' Training Fund established in Chapter 58, RSMo. The fee increase applies to certified copies of death certificates issued by the state and by the local registrar.

The Bureau of Vital Records and Local Public Health Agencies issue an average of 355,482 death certificates each year. Therefore, the \$1 fee increase on death certificates may result in a \$355,482 annual increase in total state revenue. This will also impact the calculation under Article X, Section 18(e).

ASSUMPTION (continued)

§§209.334 -346.105

Officials from the **Department of Commerce and Insurance** state this legislation removes "reasonably" and replaces it with "directly". It will take additional review and time to determine if something is "directly related" to the occupation compared to "reasonably related." The person determining that will have to know the essence of a profession and what it requires to be able to determine if the criminal conviction is directly related and whether that crime needs to go on the specific list of crimes as the statute requires. The department is estimating needing one (1 FTE) Attorney for this work.

§324.012 - Fresh Start Act of 2020

Officials from the **Department of Commerce and Insurance (DCI)** stated this bill also authorizes that an individual with a criminal record may petition a licensing authority at any time for a determination of whether the individual's criminal record will disqualify the individual from obtaining a license. The licensing authority shall inform the individual of their standing within 30 days after the licensing authority has met, but in no event more than four months after receiving the petition from the applicant. Each written determination that an applicant's criminal conviction is a specifically listed disqualifying conviction "shall be documented with written findings for each of the grounds or reasons...by clear and convincing evidence sufficient for a reviewing court".

The licensing authority may charge a fee not to exceed \$25.00 for each petition. The fiscal impact the department for petition process is unknown depending up on the number of petitions received and the extent of the work required. The department would request additional FTE and appropriation, as necessary, through the budget process.

In summary, DCI assumes a cost for this section and Sections 209.334 - 346.105 of (1 FTE at \$70,359 annually and an additional unknown cost of \$100,000 for either or both contracting and additional legal staff) of Unknown but greater than \$223,851 in FY 2021, \$211,240 in FY 2022 and \$212,314 in FY 2023 to Various Department Funds to provide for the implementation of all of the changes in this proposal.

Oversight will reflect DCI's estimated need of at least 1 FTE Attorney for this section and that DCI may or may not incur additional unknown cost of \$100,000 for either or both contracting and additional legal staff as a result of this proposal. Oversight will reflect the estimated DCI cost as (Could be greater than \$223,851) in FY 2021, (Could be greater than \$211,240) in FY 2022 and (Could be greater than \$212,314) in FY 2023.

ASSUMPTION (continued)

Oversight will also reflect a revenue of \$117,000 per year to Various DCI Funds as a result of the \$25 petition fee.

Officials from the **Department of Health and Senior Services (DHSS)** state this legislation will require the Lead Licensing Program (LLP) and Onsite Wastewater Treatment Program (

OWTP) to revise their licensing regulations. The OWTP does not assess criminal history as part of their current licensing practice and would simply need to review their regulations for consistency or make minor amendment. The LLP is required to assess criminal history under other statute, so that program would need to craft more specific language as a regulation update and update forms.

The department anticipates being able to absorb these costs. However, until the FY21 budget is final, the department cannot identify specific funding sources.

Oversight notes that the above mentioned agency has stated the cost of the proposal could be absorbed. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this agency.

§324.025 - Expanded Workforce Access Act of 2020

Officials from the **Department of Commerce and Insurance (DCI)** state this proposal establishes the Expanded Workforce Access Act of 2020. The fiscal impact is unknown depending upon the type of apprenticeships developed by state agencies or other licensing authorities and the extent of work that is demanded of the Division of Professional Registration.

Oversight notes that DCI has stated the proposal would have an unknown direct fiscal impact on their organization depending on the type of apprenticeships developed by state agencies. Oversight does not have any information to the contrary. Therefore, Oversight will reflect an unknown fiscal impact to Various DCI Funds.

Officials from the **Department of Health and Senior Services (DHSS)** state the proposed legislation allows an applicant to receive a license to practice an occupation, profession, or activity in Missouri under specified criteria through an apprenticeship program. The nursing home administrator applicant applying for licensure through apprenticeship would be treated as other applicants through the same application, office process, fee, and Board of Nursing Home Administrators' review to determine if the applicant meets the apprenticeship track for administrator licensure. The Division of Regulation does not anticipate an increase in applicants due to nursing home administrators obtaining licensure through an apprenticeship program.

SSUMPTION (continued)

The proposed legislation also references the promulgation of rules and regulations. It is assumed it will take a Principal Assistant Board/Commission (salary \$53,208) approximately 16 hours make the required changes to state rules. Based on 2,080 working hours per year, this would require 0.01 FTE to assume these duties ($16 \text{ hours} \div 2,080 \text{ hours per year} = 0.01$) for a total personal service cost of \$532 ($\$53,208 \times 0.01$).

The department anticipates being able to absorb these costs. However, until the FY21 budget is final, the department cannot identify specific funding sources.

Oversight notes that the DHSS has stated the cost of the proposal could be absorbed with existing resources. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for their agency for this section.

Officials from the **Department of Higher Education & Workforce Development (DHEWD)** state that although the new Office of Apprenticeship within the DHEWD is not a licensing agency, this act would require the Office of Apprenticeship to work with the Division of Professional Registration and other organizations statewide on education and outreach to effectively implement this apprenticeship program.

DHEWD assumes one (1) FTE Workforce Development Specialist IV budgeted at \$51,808 would be required along with the one-time and ongoing cost per employee based upon OA Budget and Planning per FTE standards.

DHEWD states that the Office of Apprenticeship is funded through a federal grant. Since the proposed legislation would be a state requirement, the cost of the FTE would be funded from the General Revenue Fund.

In summary, DHEWD assumes a cost of \$78,102 in FY 2021, \$84,015 in FY 2022 and \$84,781 in FY 23 to provide for the implementation of the changes in this proposal.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect estimated cost provided by DHEWD to the General Revenue Fund.

ASSUMPTION (continued)

§344.030.2(1) - Board of Nursing Home Administrators

Officials from the **Department of Health and Senior Services (DHSS) - Division of Regulation and Licensure (DRL)** state the proposed legislation removes the Board of Nursing Home Administrators' (BNHA) ability to deny licenses based on moral turpitude. This will require BNHA to promulgate new rules for the program. It is assumed it will take the BNHA's Principal Assistant Board/Commission (salary \$53,208) approximately 16 hours to make the required changes to state rules.

Based on 2,080 working hours per year, this would require 0.01 FTE to assume these duties (16 hours ÷ 2,080 hours per year = 0.01) for a total personal service cost of \$532 (\$53,208 X 0.01).

The department anticipates being able to absorb these costs. However, until the FY21 budget is final, the department cannot identify specific funding sources.

Oversight notes that the above mentioned agency has stated the cost of the proposal could be absorbed. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for that agency.

Bill as whole:

Officials from the **Department of Corrections**, the **Office of the State Public Defender**, the **Office of the State Treasurer**, the **Department of Social Services**, the **Department of Labor and Industrial Relations**, the **Department of Transportation**, the **Department of Agriculture**, the **Department of Public Safety - Missouri Highway Patrol**, the **Office of the State Courts Administrator**, the **Department of Revenue**, the **Department of Natural Resources**, the **Office of Prosecution Services**, the **Department of Elementary and Secondary Education**, the **Department of Public Safety - Missouri Gaming Commission** and the **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

ASSUMPTION (continued)

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 SOS for Administrative Rules is less than \$5,000. 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 require additional resources.

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

Oversight assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

FISCAL IMPACT - State Government	FY 2021 (10 Mo.)	FY 2022	FY 2023
GENERAL REVENUE FUND			
Costs - OA, ITSD/DHSS (§58.208) - IT consultant costs p. 4	(\$11,081)	\$0	\$0
Cost - DHEWD (§324.025) p. 7			
Salary	(\$43,173)	(\$52,326)	(\$52,849)
Fringe Benefits	(\$23,938)	(\$28,897)	(\$29,071)
Equipment and Expense	(\$10,991)	(\$2,792)	(\$2,861)
Total Cost - DHEWD	(\$78,102)	(\$84,015)	(\$84,781)
FTE Change - DHEWD (§324.025) p. 7	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	(\$89,183)	(\$84,015)	(\$84,781)
Estimated Net FTE to the General Revenue Fund	1 FTE	1 FTE	1 FTE
MISSOURI STATE CORONERS' TRAINING FUND			
Income - DHSS (§§58.208 and 193.265) - Death certificate fee increase p. 3	\$296,235	\$355,482	\$355,482
ESTIMATED NET EFFECT ON THE MISSOURI STATE CORONERS' TRAINING FUND	\$296,235	\$355,482	\$355,482

FISCAL IMPACT - Small Business

Small businesses that require professional licenses could be impacted by this proposal.

Athletic trainers may be impacted by this proposal.

Optometrists could be impacted by this proposal.

Small accounting businesses could be impacted by this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions relating to 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

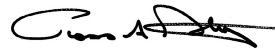
Department of Commerce and Insurance
Office of Administration
 Budget and Planning
Department of Revenue
Department of Health and Senior Services
Department of Natural Resources
Department of Agriculture
Department of Transportation
Department of Public Safety
 Missouri Highway Patrol
Office of Administration
Department of Corrections
Office of the State Courts Administrator
Office of the State Public Defender
Office of Prosecution Services
Office of the State Treasurer

SOURCES OF INFORMATION (continued)

Department of Public Safety
Missouri Gaming Commission
Department of Elementary and Secondary Education
Department of Labor and Industrial Relations
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Higher Education & Workforce Development
Department of Social Services
Office of the Governor



Julie Morff
Director
June 8, 2020



Ross Strobe
Assistant Director
June 8, 2020