

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4270-02
BILL NO.: HCS for SB 921
SUBJECT: Physicians; Licenses - Professional
TYPE: Original
DATE: April 17, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
Chiropractor Examiners Fund	\$7,500	\$7,750	\$8,000
Dental Board Fund	(\$5,953)	(\$13,439)	(\$13,736)
Endowed Care Cemetery Audit Fund	\$375	\$575	\$56,075
Total Estimated Net Effect on <u>All</u> State Funds	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Agriculture, Department of Health, Department of Social Services, and Office of the State Courts Administrator** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Department of Economic Development (DED)-Professional Registration (DPR)** assume the proposed legislation would result in an increase to the Chiropractic Examiners Fund from the collection of fees for temporary licenses for chiropractors. DPR officials assume the proposal could result in potential licensure of approximately 150 applicants per year. The projected revenue reflects a \$50 annual fee. In addition, a 3% growth is estimated.

It is assumed the State Board of Chiropractic Examiners can implement this proposal with its existing personal service and expense and equipment appropriations. However, if this legislation would result in a larger number of licensees than expected, additional appropriations in personal service and expense and equipment would be required.

Officials from the **Department of Economic Development (DED)-Professional Registration (DPR)** assume the proposed legislation would result in increased costs related to the establishment of the Advisory Commission for Dental Hygienists. The DPR assumes annual meeting expenses of \$9,598 would be incurred for the Advisory Commission to meet quarterly, for two days each.

The DPR assumes a .5 Licensure Technician II (.5 FTE at \$23,472 per year) would be needed to provide technical support directly to the Principal Assistant. This individual would be responsible for coordinating advisory board meetings, including, but not limited to, agenda preparation, minutes, etc.

Office and communication expenses and equipment are based on estimated existing costs within the Division and follow OA guidelines.

The DPR also assumes the Office of the Attorney General would provide approximately 60 hours of assistance per year with rules, opinions and meetings at a cost of \$59.22 per hour, resulting in annual costs of \$3,553.

NOTE: The DPR assumes a license fee increase for dental hygienists may be necessary to cover the costs associated with this proposal.

ASSUMPTION (continued)

Oversight assumes workload associated with the licensing of dental hygienists is currently occurring. Thus, the proposal should not create additional workload associated with licensees. Any additional workload would be associated with quarterly meetings for the newly created Advisory Commission. Therefore, it is assumed any additional workload associated with quarterly meetings could be absorbed with existing resources. However, if the additional workload should be significant, then the DPR could request additional resources through the normal budget process.

For purposes of this fiscal note, **Oversight** has included costs associated with quarterly meeting expenses for the Advisory Commission and costs for the Attorney General to assist the Advisory Commission. Oversight assumes the Commission would only meet one time in FY 01, since the members would be required to be appointed by April 1, 2001, and therefore, has adjusted meeting expenses accordingly for FY 01.

Officials from the **Department of Economic Development - Division of Professional Registration (DPR)** assume the provision related to endowed care cemeteries would generate additional revenue of \$375, \$575, and \$56,075 for fiscal years 2001, 2002, and 2003, respectively. DPR currently issues certificates of authority for endowed care cemeteries without collecting fees. DPR assumes 360 certificates will be issued without collecting the fee in fiscal year 2000. In subsequent fiscal years, it is assumed 5 additional certificates at \$75 each and 1 reinstatement at \$200 will be issued each year. For fiscal year 2003, the 360 initial certificates plus the additional five for 2001 and 2002 will be required to renew the certificate at \$150. Certificates will be renewed on a bi-annual basis.

It is assumed the Endowed Care Cemetery Advisory Committee can implement this proposal with its existing personal service and expense and equipment appropriations.

Officials from the **Department of Corrections (DOC)** assume the proposed legislation relating to the creation of a new Class B felony would have minimal fiscal impact that could be absorbed by the agency.

Oversight assumes the proposal could result in more offenders being incarcerated or placed on probation. Additional costs for supervision and care by the DOC cannot be determined, but would likely be less than \$100,000 annually

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** assume the proposed legislation would require the printing of additional pages in the *Missouri Register* and the *Code of State Regulations* and have estimated a publishing cost of \$2,892 for FY 01. Additionally, future costs are unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn.

While this bill alone would not require SOS to acquire additional staff, SOS assumes the cumulative effect of other bills that require rulemaking may, in the aggregate, necessitate additional staff.

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 appropriations process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
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GENERAL REVENUE FUND

Department of Corrections

<u>Cost - Probation or incarceration costs</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>	<u>(Less than \$100,000)</u>
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**CHIROPRACTIC EXAMINERS
FUND**

DED-Division of Professional
Registration

<u>Income - Licensure Fees/Renewals</u>	<u>\$7,500</u>	<u>\$7,750</u>	<u>\$8,000</u>
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L.R. NO. 4270-02
 BILL NO. HCS for SB 921
 PAGE 5 OF 7
 April 17, 2000

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
DENTAL BOARD FUND			
<u>DED-Division of Professional Registration</u>			
Cost - Meeting Expense	(\$2,400)	(\$9,886)	(\$10,183)
AGO Costs	<u>(\$3,553)</u>	<u>(\$3,553)</u>	<u>(\$3,553)</u>
Total Costs - DPR	<u>(\$5,953)</u>	<u>(\$13,439)</u>	<u>(\$13,736)</u>

**ENDOWED CARE CEMETERY
AUDIT FUND**

DED-Division of Professional
Registration

Income - Certificate of authority fees	<u>\$375</u>	<u>\$575</u>	<u>\$56,075</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

It is expected that small businesses would have a direct fiscal impact as a result of this proposal.

DESCRIPTION

The proposed legislation would clarify membership composition for the State Board of Registration for the Healing Arts.

The proposed legislation contains provisions pertaining to the State Committee of Dietitians by expanding the authority of the Committee relating to the issuance and renewal of licenses.

The proposed legislation also allows the Administrative Hearing Commission to place a licensee on probation for a period of up to 5 years or to suspend licenses for up to 3 years. A licensee

L.R. NO. 4270-02
BILL NO. HCS for SB 921
PAGE 6 OF 7
April 17, 2000

DESCRIPTION (continued)

who has had a license revoked may apply for relicensure one year after the date of revocation. Relicensure will be at the discretion of the Committee.

After July 1, 2000, any person who uses the title of licensed dietitian without being duly licensed will be guilty of a class A misdemeanor.

The proposed legislation would require the Director of the Division of Professional Registration to promulgate rules and regulations relative to the hygiene practice of branding and body piercing.

The proposal would allow the State Board of Chiropractic Examiners to grant temporary licenses.

The proposal would create the Advisory Commission for Dental Hygienists to guide, advise and make recommendations to the Missouri Dental Board. All members of the Commission would be appointed by April 1, 2001.

The proposed legislation would amend the definition of "supervision" as it relates to physician assistants.

The proposed legislation prohibits any person from receiving a fee for the referral of real estate unless the person is licensed as a broker or salesperson or is regularly engaged in the real estate business in another state or foreign country.

The proposal also requires that reasonable cause be established before any commission is paid by a licensee. Reasonable cause introduces the business to the licensee before a relationship is established between the licensee and the principal to the transaction. Even though reasonable cause exists, it will not guarantee the interested party a legal right to receive compensation.

The proposed legislation would require that termite inspections required by a real estate contract be performed by or under the direct supervision of an individual licensed with the Department of Agriculture.

The proposed legislation requires that a licensee or registrant must receive notice in writing seven days prior to any interviewing or questioning regarding any infraction of or violation of any licensing law.

The proposed legislation makes it a class B felony to excise or infibulate, in whole or in part, the

MLW:LR:OD:005 (9-94)

L.R. NO. 4270-02
BILL NO. HCS for SB 921
PAGE 7 OF 7
April 17, 2000

DESCRIPTION (continued)

genital organs of a female less than 17 years old, or to permit these procedures to be done. Neither the belief that such conduct is required as a matter of custom, ritual, or standard practice, nor the consent of the child or the child's parents is an affirmative defense. Such procedures are permissible if necessary to preserve the health of the child or for medical purposes associated with labor or birth.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. The proposal would affect Total State Revenue.

SOURCES OF INFORMATION

Office of Administration - Administrative Hearing Commission
Department of Economic Development - Division of Professional Registration
Department of Agriculture
Department of Corrections
Department of Health
Department of Social Services
Office of the Secretary of State
Office of the State Courts Administrator



Jeanne Jarrett, CPA
Director
April 17, 2000