

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 4584-01
BILL NO.: SB 1044
SUBJECT: Employees - Employers; Insurance - Medical; Medical Procedures and Personnel;
 Consumer Protection; Labor and Management
TYPE: Original
DATE: April 7, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None	\$0	\$0	\$0
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 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance (INS)** assume issues concerning discrimination would be incorporated into the current examination process. The department would be required to provide additional scrutiny of all life and health insurance application forms to assure they do not include or indicate the possibility of genetic testing. It is anticipated that current appropriations and staff will be able to absorb the work for implementation of this single proposal. However, if additional proposals are approved during the legislative session, the Department may need to request an increase in appropriations due to the combined effect of multiple proposals.

Any increase in INS expenditures resulting from the passage of this proposal would be paid from the insurance dedicated fund. Insurer fees set by statute finance the dedicated fund. INS assumes any expenditures resulting from implementation of this proposal would reduce the fund balance.

Officials from the **Missouri Consolidated Health Care Plan (HCP), Department of Transportation (DHT), Department of Social Services (DOS), Missouri Department of Conservation (MDC) and Department of Public Safety - Missouri State Highway Patrol (MHP)** assume this proposal would not fiscally impact their agencies.

Officials from the **Attorney General's Office (AGO)** have not responded to our fiscal note request.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This legislation limits the use of genetic information by insurance companies, employers, and genetic testing laboratories. The definitions for "genetic information" and "genetic test" in Section 375.1300, RSMo, are modified. Section 375.1303, RSMo, currently prohibits insurers from requiring or considering a person's genetic information. New language prohibits insurers from terminating, restricting, or otherwise limiting coverage based on genetic information or on a person's request for genetic services. This section applies to coverage applications made on or after January 1, 2000.

Section 375.1306, RSMo, currently prohibits employers from using genetic information. Exceptions to this provision are deleted and new language prohibits an employer from obtaining any genetic information or test results of an employee or potential employee. Employers also may not require DNA samples. Currently a \$500 fine is imposed per violation and this act adds the possibility of civil damages.

Section 375.1309, RSMo, currently prohibits any person in possession of genetic information from disclosing it. This act prohibits disclosure, by any means of communication, of genetic information or test results.

A new Section 578.036 is created to prohibit the requirement of specific tests, such as fingerprinting, as a condition of doing business or of employment. Exceptions are provided for law enforcement, the Missouri bar, and others as provided by law.

Anyone violating this section is guilty of a Class C misdemeanor and a fine up to \$1000, and may also be subject to civil penalties of up to \$100,000.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Insurance
Missouri Consolidated Health Care Plan
Department of Transportation
Department of Social Services
Missouri Department of Conservation
Department of Public Safety
Missouri State Highway Patrol

NOT RESPONDING: Attorney General's Office



Jeanne Jarrett, CPA

Director

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