

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0487-05
Bill No.: SCS for SB 27
Subject: Agriculture and Animals; Crimes and Punishment; Health Department; Liability
Type: Original
Date: March 8, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	(\$20,424)	(\$26,131)	(\$26,768)
Missouri Public Health Services	\$1,370	\$9,136	\$10,504
Total Estimated Net Effect on <u>All</u> State Funds	(\$19,054)	(\$16,995)	(\$16,264)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Conservation** and **Department of Agriculture** assume this proposal would not fiscally impact their agencies.

Department of Health (DOH) officials assume at 322.140 (2) that the department would investigate incidents of animal bites or exposure of persons with unknown rabies or other zoonotic disease in cooperation with the local public health agency in the county where the exposure occurred. This would conform to the usual and customary working relationship established between the department and the Missouri local public health agencies for investigating infectious diseases. Such investigations are more efficient when handled locally. Funding one FTE, a Health Program Representative III (\$39,048), would be necessary to assure that the mandates of this proposal are carried forth. The HPR III would work with the state public health veterinarian and would coordinate animal incident investigations and follow-up. The position would manage rabies reporting, data analysis and report preparation. The position would ensure all reported incidents of animal bites or exposure to humans are systematically investigated according to established protocols. In addition, the position would ensure all public health recommendations for animal quarantine, animal destruction and testing are carried out and that rabies prophylaxis is available and administered according to recommendations. The position would also track legal action relevant to the department concerning injured parties seeking restitution from the owner of the animal involved in the incident.

In 1999, DOH provided consultation for 248 incidents of persons bitten/exposed to animals with unknown rabies disease, or testing positive for rabies or zoonotic disease; approximately 150 of these animals (60%) had a known owner and approximately 98 (40%) of the animals were wild or had no known owner. Approximately 180 animals required quarantine for 10 days at an estimated cost of \$100.00 per animal. There is no cost to test an exposed person for rabies, as no test is available to identify rabies virus in humans immediately following an animal bite or contact to animal saliva in a scratch or mucous membrane to determine the necessity of rabies prophylaxis. Other tests for human exposure to zoonotic diseases cover a wide variation; therefore, this cost is unknown.

DOH states the State Public Health Lab tests approximately 1,370 animals per year suspected of having rabies and have exposed someone. According to the proposal, the individual owning the animal would be subject to paying the laboratory costs associated with the laboratory testing. The FY 2000 laboratory cost for rabies examination was \$43 per animal, and was absorbed by the General Revenue fund. An estimated laboratory cost of \$45 was used for FY 2002 with a 5% increase for subsequent years. \$45 is comprised of \$23 Personal Service, \$6 Fringe (DOH rate of 27%), and \$16 E&E. Based on percentages known and presented above, the DOH assumes that 40% (548 tests) would continue to be supported by General Revenue dollars. 60% of the 1,370

ASSUMPTION (continued)

animals tested will have a known owner, and will therefore be funded by those owners, with revenue generated in the MOPHS (Mo Public Health Services) fund: $1,370 \times 60\% = 822$ tests. The resulting savings to the General Revenue fund is that the funding source for slightly over .5 of an existing Public Health Lab Scientist and associated E&E will be switched from GR to MOPHS. Calculations are as follows: $822 \text{ tests} \times \$45 \text{ per test} = \$36,990$. (\$18,770 salary, \$5,068 fringe, and \$13,152 E&E). Corresponding costs of lab testing under the MOPHS fund would increase, because of the department's allowable indirect cost rate of 37.5% applied to salaries and fringe benefits. For this reason, the revenue generated in MOPHS and the savings attained in General Revenue would not match dollar for dollar. No indirect costs can be applied to General Revenue. Calculations are as follows: $(\$23 \text{ Personal Service} + \$6 \text{ Fringe}) \times 37.5\% \text{ indirect} = \11 rounded to the nearest dollar. This brings the estimated cost per test to \$56: $\$23 \text{ PS} + \$6 \text{ Fringe} + \$16 \text{ E\&E} + \11 Indirect . Therefore, revenues are anticipated to be $822 \text{ tests} \times \$56 = \$46,032$ MOPHS fund. The department assumes that the State Public Health Lab would be permitted under this legislation to charge a fee estimated at \$56 for the costs of such test, and the owner would make such amount payable to the Missouri Public Health Services Fund. The department would deposit such payment into the fund.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE FUND			
<u>Savings - Department of Health</u>			
Personal service (.5 FTE)	\$18,770	\$19,239	\$19,720
Fringe benefits	\$5,068	\$6,412	\$6,573
Expense and equipment	<u>\$13,152</u>	<u>\$13,547</u>	<u>\$13,953</u>
Total <u>Savings</u> - Department of Health	<u>\$36,990</u>	<u>\$39,198</u>	<u>\$40,246</u>
<u>Costs - Department of Health</u>			
Personal service (1 FTE)	(\$33,354)	(\$41,025)	(\$42,050)
Fringe benefits	(\$11,117)	(\$13,674)	(\$14,015)
Expense and equipment	<u>(\$12,943)</u>	<u>(\$10,630)</u>	<u>(\$10,949)</u>
Total <u>Costs</u> - Department of Health	<u>(\$57,414)</u>	<u>(\$65,329)</u>	<u>(\$67,014)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$20,424)</u>	<u>(\$26,131)</u>	<u>(\$26,768)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
MISSOURI PUBLIC HEALTH SERVICES FUND			
<u>Revenue - Department of Revenue</u>			
Laboratory fees	<u>\$38,360</u>	<u>\$48,334</u>	<u>\$50,750</u>
<u>Costs - Department of Health</u>			
Personal service (.5 FTE)	(\$18,770)	(\$19,239)	(\$19,720)
Fringe benefits	(\$5,068)	(\$6,412)	(\$6,573)
Expense and equipment	<u>(\$13,152)</u>	<u>(\$13,547)</u>	<u>(\$13,953)</u>
Total <u>Costs</u> - Department of Health	<u>(\$36,990)</u>	<u>(\$39,198)</u>	<u>(\$40,246)</u>
ESTIMATED NET EFFECT ON MISSOURI PUBLIC HEALTH SERVICES FUND	<u>\$1,370</u>	<u>\$9,136</u>	<u>\$10,504</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<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.

DESCRIPTION

This proposal would provide for the Department of Health to investigate and issue orders in instances where an animal has bitten or otherwise exposed a person to the possibility of contracting rabies or any zoonotic disease when counties have not adopted rules pursuant to Sections 322.090 to 322.130. The Department of Health would investigate the incident and issue orders to prevent and control rabies or zoonotic disease. The Department of Health would have discretion to order the animal quarantined, isolated, impounded, immunized or disposed of. The Department of Health would be granted rulemaking authority concerning the classification of a disease as a zoonotic disease. It would be a Class A misdemeanor for the owner of an animal to knowingly fail or refuse to comply with the orders of the Department of Health or to attempt to

DESCRIPTION (continued)

transfer or dispose of the animal. This proposal would make the owner of the animal responsible for the costs associated with the incident. The owner of the animal would be liable to the injured person for all damages except when the damaged party directly contributed to the injury. This proposal would also require owners of non-human primates to register the animal with the local law enforcement agency in the county in which the animal is kept. Failure to register the animal is a Class C misdemeanor.

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
Department of Conservation
Department of Agriculture



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Director

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