

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0679-05  
Bill No.: SB 325  
Subject: Department of Conservation; Licenses–Professional; Agriculture & Animals  
Type: Original  
Date: February 14, 2001

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
PR Fees Fund	(\$16,050)	\$16,050	\$0
Registered Foresters Fund	\$0	\$23,698	\$48,558
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$16,050)</b>	<b>\$39,748</b>	<b>\$48,558</b>

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

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

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

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## FISCAL ANALYSIS

### ASSUMPTION

Officials with the **Department of Economic Development–Division of Professional Registration (DPR)** assume the proposal will result in the licensure of 300 foresters in the State of Missouri. DPR assumes that fees will be \$500 for initial licensure and annual renewal. A growth rate of 3% has been estimated.

It is assumed that the PR Fees Fund will be reimbursed by the Registered Foresters Fund for all expenses incurred on behalf of the Board of Registered Foresters.

DPR assumes that the proposal will require the hiring of an additional 1.5 FTE, consisting of a 0.5 Principal Assistant (0.5 FTE at \$48,240 per year) to serve as the senior executive officer of the agency, and one Licensure Technician II (1 FTE at \$24,492 per year) to provide technical support to the Principal Assistant and process applications for licensure. Hiring is not expected to occur until FY 2003. Office and communication expenses are based on estimated existing costs within the Division and follow Office of Administration guidelines. DPR further assumes that space for these employees will be rented at a cost of \$4,050 per year. **Oversight** assumes these employees will be located in existing office space and has not included this cost in the fiscal impact.

The State Board of Registered Foresters created by this act will consist of seven members. DPR estimates that the Board will meet four times per year for two days per meeting. Per diem reimbursement of \$50 per day for each member will total \$2,800 annually. Travel expenses (mileage, meals, and lodging) are estimated at \$9,598 annually. Meetings are expected to begin in FY 2002.

DPR anticipates that 15 complaints per year will be received. An average complaint is expected to require 5 hours to complete. DPR assumes that two investigations per year will be required, with travel expenses of \$510 annually. It is estimated that one investigation per year will be forwarded to the Office of the Attorney General for further action, at a cost of \$5,400 per year. Complaints and investigations are not expected until FY 2004.

DPR expects the Office of the Attorney General to also provide 60 hours per year of assistance with rules, opinions, and meetings, at a cost of \$60.87 per hour, for a total cost of \$3,652 annually.

Postage and printing costs are estimated by DPR at \$6.19 per licensee, per year, for a total annual cost of \$1,857, beginning in FY 2003. Existing staff will design, program, and implement a computer licensure program at an estimated cost of \$173.

DESCRIPTION (continued)

The Board will be required to reimburse the Division and the Department of Economic Development for its portion of administrative overhead, based on the percentage of licensees served by the Board, with a minimum of 0.5%. The Board's share of these expenses will be \$10,644 annually. **Oversight** assumes these costs will not be reimbursed until FY 2003.

This bill creates the Board of Registered Foresters within the Division of Professional Registration. The **Office of the Secretary of State (SOS)** assumes this board will promulgate rules to carry out the provisions of this bill. Based on experience with other divisions, the rules, regulations and forms issued by the Board of Registered Foresters could require as many as approximately 36 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23.00. The estimated cost of a page in the Code of State Regulations is \$27.00. The actual costs could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn.

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

Officials from the **Office of the State Treasurer**, the **Department of Natural Resources**, the **Department of Conservation**, the **Department of Revenue**, the **Office of the State Courts Administrator**, the **Office of Prosecution Services**, the **Office of the State Public Defender**, and the **Office of Administration—Administrative Hearing Commission** assume negligible or no fiscal impact from the proposal. The **Cole County Circuit Court** did not respond to our request for a fiscal note. **Oversight** assumes minimal or no fiscal impact to the Court as a result of the proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>REGISTERED FORESTERS FUND</b>			
<u>Income—DPR</u>			
License Fees/Renewals	\$0	\$150,000	\$154,500
<u>Costs—Transfer to PR Fees Fund</u>			
	<u>\$0</u>	<u>(\$126,302)</u>	<u>(\$105,942)</u>
<b>ESTIMATED NET EFFECT TO REGISTERED FORESTERS FUND:</b>	<b><u>\$0</u></b>	<b><u>\$23,698</u></b>	<b><u>\$48,558</u></b>

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<b>PR FEES FUND</b>			
<u>Income—DPR</u>			
Transfer from Registered Foresters Fund	\$0	\$126,302	\$105,942
<u>Costs—DPR</u>			
Personal Service (1.5 FTE)	(\$2,800)	(\$53,873)	(\$55,150)
Fringe Benefits	\$0	(\$17,023)	(\$17,448)
Expense & Equipment	(\$9,598)	(\$24,887)	(\$13,648)
Other Fund Costs/AGO Costs	<u>(\$3,652)</u>	<u>(\$14,469)</u>	<u>(\$19,696)</u>
<u>Total Costs—DPR</u>	(\$16,050)	(\$110,252)	(\$105,942)
<b>ESTIMATED NET EFFECT TO PR FEES FUND:</b>	<b><u>(\$16,050)</u></b>	<b><u>\$16,050</u></b>	<b><u>\$0</u></b>
<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

This bill would have a direct fiscal impact on small businesses providing forestry services.

DESCRIPTION

This act would require the registration of foresters. The State Board of Registration of Foresters is created, and will consist of seven members including the State Forester, the Chair of the Forestry Department of the State University, and five registered foresters appointed by the governor for staggering terms of five years. The Board of Registered Foresters Fund is created for the deposit of funds received pursuant to this act. All persons practicing forestry are required to register. Certain activities are excluded from the requirement to register including allowing employees of the federal government and Private Land Division of the Department of Conservation in connection with their assigned duties to conduct forestry education programs or provide free forestry advice and assistance to timberland owners.

Registered foresters must: hold a degree in forestry, pass a written examination, have three years experience, and be a person of good character and reputation. The Board is authorized to promulgate rules regarding application for registration, examinations, registration fees, renewals, continuing education requirements, and discipline of registered foresters. This act would make it

DESCRIPTION (continued)

illegal for persons to practice or offer to practice forestry without being registered. This violation as well as violations of any of the provisions of this act will be a Class A 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 Economic Development  
    Division of Professional Registration  
Office of the Secretary of State  
Office of the State Treasurer  
Department of Agriculture  
Department of Natural Resources  
Department of Conservation  
Department of Revenue  
Office of Administration  
    Administrative Hearing Commission  
Office of the State Courts Administrator  
Office of Prosecution Services  
Office of the State Public Defender



Jeanne Jarrett, CPA  
Director

February 14, 2001