

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0850-03
Bill No.: HCS for HB 231
Subject: Boards, Commissions, Committees, Councils; Elderly; Health Department
Type: Original
Date: March 7, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	(Less than \$157,397)	(Less than \$162,742)	(Less than \$164,417)
Total Estimated Net Effect on General Revenue Fund	(Less than \$157,397)	(Less than \$162,742)	(Less than \$164,417)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri House of Representatives** assume this proposal would not fiscally impact their agency.

Officials from the **Missouri Department of Revenue (DOR)** assume Section 192.375.7 could create an administrative impact on the DOR. This section indicates that any gifts or donations from individuals, private organizations, or foundations shall be considered 100% deductible for purposes of Missouri income tax liability.

DOR Customer Assistance does not anticipate the need for personnel in the field or for phones. However, if phone assistance is greater than expected, the DOR states it would need additional personnel.

Officials from the **Department of Health and Senior Services (DOH)** assume one Health Program Representative I/II and related expense and equipment would be needed to provide administrative support to the Commission. DOH states the Central Registry Unit has an existing toll free phone line that could be used for meeting the requirement of a toll free senior advisory support telephone number. This phone is staffed Monday thru Friday from 8:00 to 5:00. The DOH states if the intent of the proposal is that it be staffed 24 hours per day, 7 days a week, the

ASSUMPTION (continued)

DOH would require additional staff.

Oversight has, for fiscal note purposes only, changed the starting salary for the DOH position to the first step for FY 06 and the second step for subsequent years to correspond to comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Oversight assumes the program will be reauthorized after the December 31, 2007 sunset and costs of the DOH will continue.

Officials from the **Missouri Senate (SEN)** assume the responsibility to "establish a mechanism to utilize the staff of the member's of the Missouri General Assembly to assist seniors, including but not limited to assisting seniors applying for any and all prescription drug assistance offered under the federal Medicare Prescription Drug Modernization Act of 2003" would create a cost to the Senate. SEN assumes it is not possible to anticipate the expected assistance to be provided by staff of member's of the General Assembly. SEN states it could range from having a simple liaison role and making sure the senior s contact the correct agency or person, to actually applying for benefits on behalf of the seniors. SEN states without knowing how this section will actually be implemented, SEN would assume that any associated costs would not exceed \$100,000.

Oversight assumes there would be an unknown amount of donations made on behalf of the commission and an unknown loss to General Revenue for the corresponding deduction.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE			
<u>Income</u> - Gifts, donations and federal monies	Unknown	Unknown	Unknown
<u>Costs</u> - General Assembly			
Cost to assist seniors	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)

Costs - Department of Health and Senior Services

Personal Service (1 FTE)	(\$24,370)	(\$30,529)	(\$31,292)
Fringe Benefits	(\$10,396)	(\$13,024)	(\$13,349)
Expense and Equipment	<u>(\$22,631)</u>	<u>(\$19,189)</u>	<u>(\$19,776)</u>
<u>Total Costs - Department of Health and Senior Services</u>	<u>(\$57,397)</u>	<u>(\$62,742)</u>	<u>(\$64,417)</u>

<u>Loss-tax liability deduction for gifts and donations</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE*	<u>(Less than \$157,397)</u>	<u>(Less than \$162,742)</u>	<u>(Less than \$164,417)</u>
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*Oversight assumes the gifts, donations, and federal monies will be less than the costs of the commission.

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<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 establishes within the Department of Health and Senior Services the Missouri Senior Advocacy and Efficiency Commission. The proposal:

- (1) Specifies the membership of the commission and their terms of service;
- (2) Allows for reasonable reimbursement for expenses incurred by commission members for the performance of their official duties;
- (3) Requires the department to provide necessary staff for administrative support of the commission;

DESCRIPTION (continued)

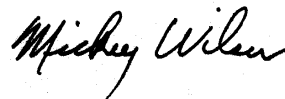
- (4) Requires the commission to meet at least every 90 days;
- (5) Charges the commission to gather information pertaining to the quality and efficiency of senior services offered by the state, analyze statutes, commissions and administrative rules as to the efficiency or lack thereof of certain programs, utilize staff of the General Assembly to assist seniors in making application for federal prescription drug assistance, serve as a resource for state and federal pharmaceutical benefits, and maintain a web site and toll-free senior advocacy support telephone number;
- (6) Requires the commission to submit a report to the Governor, General Assembly, and the department by February 1, 2007, and every February 1 thereafter; and
- (7) Allows the department to accept federal moneys, gifts, and donations on behalf of the commission.
- (8) Unless reauthorized, the provision of this section shall sunset on December 31, 2007.

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 and Senior Services
Missouri Senate
Missouri House of Representatives
Missouri Lieutenant Governor
Department of Revenue

NOT RESPONDING: Lieutenant Governor



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Director
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