

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2034-06  
Bill No.: SCS for HCS for HB 780  
Subject: Boards, Commissions, Committees, Councils; Cemeteries; Licenses -  
Professional; Pharmacy  
Type: Original  
Date: April 13, 2007

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Bill Summary: Modifies various provisions relating to professional licensing.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Hearing Instrument Specialist	0*	0*	0*
Board of Registration for the Healing Arts	0*	0*	0*
Real Estate Appraisers	\$0	(\$15,000 to \$30,000)	\$0
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>(\$15,000 to \$30,000)</b>	<b>\$0</b>

\* Transfers between funds and increase in fees nets to \$0.

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Revenue, and Department of Health and Senior Services** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Administration - Administrative Hearing Commission** anticipate this legislation will not significantly alter its caseload. However, if other similar bills also pass, there are more cases, or more complex cases, there could be a fiscal impact.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Officials from the **Department of Insurance, Financial and Professional Regulation (DIFP)** state based on FY 07 board projections, the division estimates 18 endorsement applications (\$150 each) will no longer be received by the Board of Hearing Instrument Specialists, thereby, decreasing their funds by \$2,700 annually. The Board estimates 230 audiologists will not be required to renew their hearing instrument specialist license (\$250 each), thereby, decreasing revenue into the Hearing Instrument Specialist Fund by \$57,500. Based on the language of the proposal as written, the Board of Registration for the Healing Arts would be required to supplement the Hearing Instrument Specialist fund by these amounts, up to \$61,000. The Board of Registration for the Healing Arts will increase audiology licensing fees to recoup the cost of the supplement required by this legislation. This will result in a zero net affect on the funds involved.

The DIFP assumes no fiscal impact as a result of the remaining sections of the proposal.

Based on discussions with DIFP staff, **Oversight** assumes approximately 75 real estate appraiser licensees may opt for an inactive license. Since the board has the authority to set inactive license fees, **Oversight** is ranging the decrease in license fee revenue from \$15,000 to \$30,000 [(\$200 inactive license fee (half of the current \$400 fee) to a \$0 license fee] for FY 09 as licenses are biennial.

ASSUMPTION (continued)

Officials from the **Office of Attorney General (AGO)** did not respond to our request for a statement of fiscal impact. However, in response to an earlier version of this proposal, the AGO assumed any potential costs arising from the proposal could be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>HEARING INSTRUMENT SPECIALIST FUND</b>			
<u>Transfer-In - Board of Registration for the Healing Arts Fund</u>			
Transfer-in for reduction in application and renewal fees	\$0	\$60,200	\$0
<u>Loss - DIFP</u>			
Reduction in application and renewal fees	<u>\$0</u>	<u>(\$60,200)</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON HEARING INSTRUMENT SPECIALIST FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>BOARD OF REGISTRATION FOR THE HEALING ARTS FUND</b>			
<u>Income - DIFP</u>			
Increase in licensing fees	\$0	\$60,200	\$0
<u>Transfer-Out - Hearing Instrument Specialist Fund</u>			
Transfer-out for reduction in application and renewal fees	<u>\$0</u>	<u>(\$60,200)</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON BOARD OF REGISTRATION FOR THE HEALING ARTS FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
<b>REAL ESTATE APPRAISERS FUND</b>			
<u>Loss - DIFP</u>			
Reduction in licensure fee revenue	<u>\$0</u>	<u>(\$15,000 to \$30,000)</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON REAL ESTATE APPRAISERS FUND</b>	<b><u>\$0</u></b>	<b><u>(\$15,000 to \$30,000)</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal may impact small businesses in any of the fields included in this proposal.

FISCAL DESCRIPTION

This proposal modifies the requirements for the licensing of real estate appraisers.

The proposal allows the licensee two years instead of one to renew an expired license. Inactive licenses are authorized.

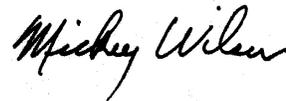
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration -  
    Administrative Hearing Commission  
Office of State Courts Administrator  
Department of Insurance, Financial and Professional Regulation  
Department of Health and Senior Services  
Department of Revenue  
Office of Secretary of State

**NOT RESPONDING: Office of Attorney General**

Mickey Wilson, CPA

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Director  
April 13, 2007