

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2476-01  
Bill No.: HB 987  
Subject: Economic Development Dept.; Housing; Licenses - Professional  
Type: Original  
Date: March 7, 2007

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Bill Summary: Modifies laws relating to the professional registration of real estate appraisers.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
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>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Real Estate Appraisers	\$0	(\$15,000 to \$30,000)	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>(\$15,000 to \$30,000)</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

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

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of Administration - Administrative Hearing Commission, Department of Insurance, Financial and Professional Regulation (DIFP), and Office of State Courts Administrator** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

**Oversight** notes that the provisions of section 339.525 are very similar to other legislation (SB 526) introduced during the current session. Therefore, based on discussions with DIFP staff, **Oversight** assumes approximately 75 of current 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. **Oversight** assumes the board may increase licensing fees in subsequent licensing years.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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### **REAL ESTATE APPRAISERS FUND**

#### Loss - DIFP

Reduction in licensure fee revenue	<u>\$0</u>	<u>(\$15,000 to \$30,000)</u>	<u>\$0</u>
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<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>
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<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
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### FISCAL IMPACT - Small Business

This proposal may impact small business real estate appraisers if licensing fees are increased to cover the loss of revenue associated with issuing inactive licenses.

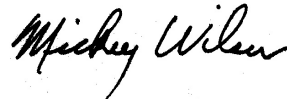
### FISCAL DESCRIPTION

This proposal changes the laws regarding real estate appraisers and the duties of the Missouri Real Estate Appraisers Commission within the Department of Insurance, Financial Institutions, and Professional Registration. In its main provisions, the proposal: (1) Authorizes the commission to administer oaths and issue and enforce subpoenas; (2) Repeals the provision authorizing the commission to waive continuing education requirements for retired or disabled appraisers; (3) Allows persons to renew expired licenses within a one-year period if evidence of the completion of all continuing education requirements is provided; and (4) Authorizes the commission to issue inactive licenses.

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 Attorney General  
Office of Administration -  
    Administrative Hearing Commission  
Office of State Courts Administrator  
Department of Insurance, Financial and Professional Regulation



Mickey Wilson, CPA  
Director  
March 7, 2007