

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4912-01
Bill No.: HB 2066
Subject: Architects; Health Care; Health Department; Nursing and Boarding Homes
Type: Original
Date: February 22, 2008

Bill Summary: This legislation allows the Department of Health and Senior Services to establish a schedule of fees for architectural plan reviews of construction documents for certain health facilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
General Revenue	\$0 to \$237,500	\$0 to \$475,000	\$0 to \$475,000
Total Estimated Net Effect on General Revenue Fund	\$0 to \$237,500	\$0 to \$475,000	\$0 to \$475,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
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 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

☐ 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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the State Treasurer** assume the proposal would have no fiscal impact on their agency.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and 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 office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

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 **Department of Health and Senior Services (DHSS)** state the DHSS conducted 205 facility architectural plan reviews in Fiscal Year 2007. The Department estimates the annual number of architectural plan reviews will remain stable over the next several years.

Based on an average estimated fee of \$2,300 per plan review, the Department expects General Revenue fee collections of approximately \$475,000 annually (\$2,300 per review x 205 plan reviews = \$471,500). Due to the time required to promulgate the necessary rules, the revenue estimate for FY 2009 is included as one-half of the estimated annual revenue or \$237,500 ($\$475,000 \times .5 = \$237,500$).

Since the Department has the ability to reduce or waive fees, DHSS is including a range of fee revenue for each year: \$0 to \$237,500 for FY 2009, and \$0 to \$475,000 for FY 2010 and 2011.

If the legislation passes, a formal fee schedule will be developed and the necessary rules promulgated.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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GENERAL REVENUE FUND

Income - Department of Health and
Senior Services

Fee Collections	<u>\$0 to \$237,500</u>	<u>\$0 to \$475,000</u>	<u>\$0 to \$475,000</u>
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**ESTIMATED NET EFFECT ON
GENERAL REVENUE FUND**

<u>\$0 to \$237,500</u>	<u>\$0 to \$475,000</u>	<u>\$0 to \$475,000</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Health care facilities will be required to pay a fee for architectural plan reviews conducted by the Department of Health and Senior Services.

FISCAL DESCRIPTION

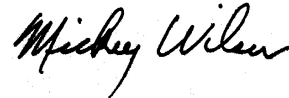
The proposed legislation appears to have no fiscal impact.

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

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SOURCES OF INFORMATION

Department of Health and Senior Services
Office of the Secretary of State
Office of the State Treasurer

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 22, 2008