

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1384-15  
Bill No.: SS for SCS for HCS for HB 564 with Senate Amendments 1, 2, 3, 5, 6 & 7  
(**Pending Review**)  
Subject: Professional Registration and Licensing  
Type: Original  
Date: May 17, 2019

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Bill Summary: This proposal establishes the “Fresh Start Act of 2019.”

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
General Revenue Fund	\$0 to (\$38,688)	\$0 to (\$13,902)	\$0 to (\$14,051)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 to (\$38,688)</b>	<b>\$0 to (\$13,902)</b>	<b>\$0 to (\$14,051)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 19 pages.

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Various DIFP Funds (SA 2)	(Could be greater than \$378,672)	(Could be greater than \$411,414)	(Could be greater than \$415,462)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Could be greater than \$378,672)</b>	<b>(Could be greater than \$411,414)</b>	<b>(Could be greater than \$415,462)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Federal Funds	\$0 to (\$77,951)	\$0 to (\$84,536)	\$0 to (\$85,325)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0 to (\$77,951)</b>	<b>\$0 to (\$84,536)</b>	<b>\$0 to (\$85,325)</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
General Revenue Fund	0 to 0.325 FTE	0 to 0.125 FTE	0 to 0.125 FTE
Various DIFP Funds	4 FTE	4 FTE	4 FTE
Federal Funds	0 to 1 FTE	0 to 1 FTE	0 to 1 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>4 FTE to 4.325 FTE</b>	<b>4 FTE to 4.325 FTE</b>	<b>4 FTE to 4.325 FTE</b>

- ☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Due to time constraints of less than 1 hour of preparing a fiscal note on this Senate Substitute, **Oversight** has not received any responses from potentially impacted organizations for this proposal and has not had sufficient time to compile a fiscal note. Oversight is producing this preliminary fiscal note to facilitate a scheduled Senate Fiscal Oversight meeting on May 10th. However, Oversight will compile, solicit responses from impacted agencies, analyze and produce an updated fiscal note for this proposal, with approval from the Chair of the Joint Committee on Legislative Research. Therefore, Oversight will range the fiscal impact from \$0 to an Unknown decrease or increase in costs until an updated note can be produced.

#### **Section 161.700** - Holocaust Education and Awareness Commission Act

In response to a similar proposal from this year (SB 373), officials from the **Department of Elementary and Secondary Education (DESE)** assumed the proposal will result in no cost to the department.

**Oversight** assumes this proposal removes the phrase “in Nazi concentration camps” from the definition of holocaust. Oversight notes the Holocaust Education and Awareness Commission is housed in DESE. DESE has stated that the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

#### **Section 324.012**

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** assume this proposal requires that each state licensing authority list the categories or specific criminal convictions that could disqualify an applicant from receiving a license. Further, licensing authorities shall only list criminal convictions that are specific and directly related to the duties and responsibilities for the licensed occupation. Currently no such list exists. As a result, the department would need ongoing attorney services to develop the list and determine which convictions are "specific and directly related" to the type of license being applied for. The department estimates at least \$285,437 in additional FTE and/or legal contract costs (estimating three attorney FTE at \$68,310 annually or work in various division / boards in the department) to various department funds annually for this work. The exact costs could be greater. The department would need to request additional FTE and/or expense appropriation through the budget process to handle this additional workload.

### ASSUMPTION (continued)

This bill also authorizes that an individual with a criminal record may petition a licensing authority at any time for a determination of whether the individual's criminal record will disqualify the individual from obtaining a license. The licensing authority shall inform the individual of their standing within 30 days after the licensing authority has met, but in no event more than four months after receiving the petition from the applicant. Each written determination that an applicant's criminal conviction is a specifically listed disqualifying conviction "shall be documented with written findings for each of the grounds or reasons...by clear and convincing evidence sufficient for a reviewing court". The licensing authority may charge a fee not to exceed \$25.00 for each petition. The fiscal impact the department for petition process is unknown depending up on the number of petitions received and the extent of the work required. The department would request additional FTE and appropriation, as necessary, through the budget process.

In summary, DIFP assumes a cost for this section (3 FTE at \$68,310 annually and an additional unknown cost of \$100,000 for either or both contracting and additional legal staff ) of Unknown but greater than \$396,754 in FY 2020, \$421,311 in FY 2021 and \$424,347 in FY 2022 to Various Department Funds to provide for the implementation of all of the changes in this proposal.

**Oversight** will reflect DIFP's estimated need of at least 3 attorneys for this section and that DIFP may or may not incur additional unknown cost of \$100,000 for either or both contracting and additional legal staff as a result of this proposal. Oversight will reflect the estimated DIFP cost as (Could be greater than \$396,754) in FY 2020, (Could be greater than \$421,311) in FY 2021 and (Could be greater than \$424,347) in FY 2022.

**Oversight** will also reflect a revenue of \$117,000 per year to Various DIFP Funds as a result of the \$25 petition fee.

Officials from the **Department of Revenue (DOR)** assume this legislation creates the "Fresh Start Act of 2019" and may impact the issuance or denial of a dealer license as it relates to the required criminal background check.

### Administrative Impact

To implement the proposed changes, the Department may be required to:

- Update the Dealer Operating Manual;
- Amend and update administrative rules; and
- Train staff.

ASSUMPTION (continued)

FY 2020 - Motor Vehicle Bureau

Management Analysis Spec I	40 hrs. @ \$18.42 per hr.	= \$ 737
Administrative Office Support Asst.	15 hrs. @ \$13.78 per hr.	= \$ 207
Revenue Manager	80 hrs. @ \$20.59 per hr.	= \$1,647
<b>Total</b>		<b>= \$2,591</b>

FY 2020 - Personnel Services Bureau

Administrative Analyst III	10 hrs. @ \$19.80 per hr.	= \$ 198
<b>Total Costs</b>		<b>= \$2,789</b>

The Department anticipates that the DOR will be able to absorb these costs and that there will be no fiscal impact as a result of this proposal.

**Oversight** notes that the Department of Revenue has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for DOR.

Section 324.012.4

Officials from the **Department of Health and Senior Services - Division of Community and Public Health** assume the proposed legislation requires licensing authorities to revise their existing requirements to "explicitly state the specific criminal convictions that could disqualify an applicant from receiving a license." The Lead Licensing Program (LLP) and Onsite Wastewater Treatment Program (OWTP) would need to revise regulations to be compliant with this proposed legislation. The OWTP does not assess criminal history as part of their current licensing practice, and would need to review their regulations for consistency or make a minor amendment. The LLP is required to assess criminal history under another statute, so the program would need to revise their forms to be compliant with the proposed legislation. Time and cost for these revisions is estimated in the table below. The department anticipates being able to absorb these costs, resulting in zero fiscal impact. However, until the FY20 budget is final, the department cannot identify specific funding sources.

ASSUMPTION (continued)

	Program Manager (EPHS V - OWTP)	Program Manager (Env. Superv. – LLP)	Program staff (HPR II)	Section Rules Coordinator (HPR III)	Management Review (HSSM)	Total
OWTP rules	2			2	1	5
LLP rules		15	5	30	5	55
LLP forms		2	3			5
Total hours	2	17	8	32	6	<b>65 hours</b>
Average Salary	\$53,351	\$58,903	\$37,970	\$43,365	\$66,574	
Total cost	\$52	\$491	\$149	\$680	\$196	<b>\$1,568</b>

**Oversight** notes that the Division of Community and Public Health has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this agency for this section.

Section 324.012.4(1)

Officials from the **Department of Health and Senior Services - Division of Regulation and Licensure (DRL)** assume the proposed legislation requires DRL's, Section for Health Standards and Licensure, Bureau of Narcotics and Dangerous Drugs (BNDD) and the Bureau of Emergency Medical Services (EMS) to revise its existing licensing requirements to explicitly list the specific criminal convictions that could disqualify an applicant from receiving a license.

It is assumed it will take BNDD's Health and Senior Services Manager (\$66,798, average annual salary) approximately 40 hours to make the required changes. Based on 2,080 working hours per year, this would require 0.02 FTE to assume these duties ( $40 \text{ hours} \div 2,080 \text{ hours per year} = 0.02$ ) for a total personal service cost of \$1,336 ( $\$66,798 \times 0.02$ ) for FY20.

It is assumed it will take EMS's Health and Senior Services Manager (salary \$60,784) approximately 40 hours to make the required changes. Based on 2,080 working hours per year,

ASSUMPTION (continued)

this would require 0.02 FTE to assume these duties ( $40 \text{ hours} \div 2,080 \text{ hours per year} = 0.02$ ) for a total personal service cost of \$1,216 ( $\$60,784 \times 0.02$ ) for FY20. Creating a total cost for DRL of \$2,552.

The department anticipates being able to absorb these costs. However, until the FY20 budget is final, the department cannot identify specific funding sources.

**Oversight** notes that the DRL has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this agency for this section.

Section 324.012.5

Officials from the **Department of Health and Senior Services - Division of Regulation and Licensure (DRL)** assumes the proposed legislation allows a licensing authority to charge a fee to recoup costs when an individual with a criminal record petitions the licensing authority for a determination of whether their criminal record will disqualify them from obtaining a license. DRL assumes fees will not be charged for this service.

The department anticipates being able to absorb these costs. However, until the FY20 budget is final, the department cannot identify specific funding sources.

**Oversight** notes that the DRL has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this agency for this section.

Section 324.012.5

Officials from the **Department of Health and Senior Services - Directors Office (DHSS)** assume the proposed legislation allows an individual with a criminal record to petition a licensing authority at any time for a determination of whether the individual's criminal record will disqualify the individual from obtaining a license. This petition shall include details on the individual's criminal record, and the licensing authority shall inform the individual of his or her standing within thirty days of receiving the petition from the applicant.

The Department of Health and Senior Services will require .125 FTE for an attorney (\$64,500 average annual salary) to process the increased number of petitions created from this proposed legislation. The attorney duties may include:



ASSUMPTION (continued)

- Reviewing requests for records (sunshine and/or subpoenas);
- Coordinating and advising with program staff to determine whether the Department has records responsive to requests ;
- Reviewing of individual records;
- Determining appropriate response;
- Responding to requestor;
- Drafting/filing motions to quash subpoenas when necessary;
- Possible referrals to the Attorney General's Office;
- Assisting in the preparation of the documentation regarding each petition that must be done within thirty days of receiving the petition.

DHSS assumes that these additional petitions will require 260 hours of an attorney's time each year for a total of .125 FTE (260/2,080 hours=.125). This translates to a yearly additional cost of \$8,062.60 (\$31.01 an hour x 260 hours= \$8,062.60). Due to current workload being at maximum limits, these costs cannot be absorbed.

**Oversight** assumes DHSS could absorb some of the additional duties without adding 1/8 of an FTE; however, DHSS has stated due to current workload being at maximum limits, these cost cannot be absorbed. Therefore, Oversight will range the cost from \$0 (1/8 FTE can be absorbed) to \$8,063 (1/8 FTE is not absorbed) to the General Revenue Fund.

Section 324.012.11

Officials from the **Department of Health and Senior Services - Directors Office (DHSS)** assumes he proposed legislation requires the promulgation of rules and regulations, which include the following duties (but not all inclusive): establish guidelines, implement strategies, make evidence-based system changes, and create policy recommendations. The Department of Health and Senior Services (DHSS), Office of General Counsel will need an additional .1 FTE for an attorney (salary of \$64,500 per year) to perform the research necessary to ensure the new guidelines and information for this proposed legislation has been properly vetted and implementation is completed quickly and with fiscal responsibility. Due to current workload being at maximum limits, these costs cannot be absorbed.

**Oversight** assumes DHSS could absorb some of the additional duties without adding .1 of an FTE; however, DHSS has stated due to current workload being at maximum limits, these cost cannot be absorbed. Therefore, Oversight will range the cost from \$0 (.1 FTE can be absorbed) to \$5,375 (.1FTE is not absorbed) in FY 2020 to the General Revenue Fund.

Senate Amendment 3 - Section 324.025

In response to a similar proposal from this year (SCS for HB 470), officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume this proposal establishes the Expanded Workforce Access Act of 2019. The fiscal impact is unknown to various DIFP funds depending upon the type of apprenticeships developed by state agencies or other licensing authorities and the extent of work that is demanded of the Division of Professional Registration.

**Oversight** notes that the DIFP has stated the proposal would have an unknown direct fiscal impact on their organization depending on the type of apprenticeships developed by state agencies. Oversight does not have any information to the contrary. Therefore, Oversight will reflect an unknown fiscal impact to Various DIFP Funds.

In response to a similar proposal from this year (SCS for HB 470), officials from the **Department of Economic Development - Division of Workforce Development (DWD)** assumes this proposal creates the "Expanded Workforce Access Act of 2019" stating that, within the parameters established under the federal Labor Standards for the Registration of Apprenticeship Programs, each state licensing authority shall grant a license to applicants that: successfully complete the eighth grade, complete an apprenticeship approved by the Division of Professional Registration or US Department of Labor or otherwise permitted under state or federal law and have passed an examination by the appropriate licensing authority.

# While DWD is not the licensing authority, DWD may be required to work with the Division of Professional Registration or other agencies to ensure individuals completing the approved apprenticeships receive their licenses. Therefore, DWD is estimating the need for 1 additional FTE (Workforce Development Specialist IV) at an annual salary of \$51,108. This would be a cost to federal funds.

**Oversight** will reflect a cost to Federal Funds of \$77,951 in FY 2020, \$84,536 in FY 2021, \$85,325 and FY 2022.

In response to a similar proposal from this year (SCS for HB 470), officials from the **Department of Health and Senior Services - Division of Regulation and Licensure (DHSS)** state that the proposed legislation requires the promulgation of rules and regulations, which include the following duties (but not all inclusive): establish guidelines, implement strategies, make evidence-based system changes, and create policy recommendations.

The Department of Health and Senior Services (DHSS), Office of General Counsel will need an additional .1 FTE for an attorney (salary of \$64,500 per year) to perform the research necessary

ASSUMPTION (continued)

to ensure the new guidelines and information for this proposed legislation has been properly vetted and implementation is completed quickly and with fiscal responsibility. Due to current workload being at maximum limits, these costs cannot be absorbed.

**Oversight** assumes DHSS could absorb some of the additional duties without adding .1 FTE in FY 2020; however, DHSS has stated due to current workload being at maximum limits, these cost cannot be absorbed. Therefore, Oversight will range the cost from \$0 (.1 FTE can be absorbed) to \$12,133 (0.1 FTE is not absorbed) in FY 2020 to the General Revenue Fund.

In response to a similar proposal from this year (SCS for HB 470), officials from the **Department of Health and Senior Services - Division of Regulation and Licensure (DHSS)** state that this legislation allows an applicant to receive a license to practice an occupation, profession, or activity in Missouri under specified criteria through an apprenticeship program. The nursing home administrator applicant applying for licensure through apprenticeship would be treated as other applicants through the same application, office process, fee, and Board of Nursing Home Administrators' review to determine if the applicant meets the apprenticeship track for administrator licensure. DHSS does not anticipate an increase in applicants due to nursing home administrators obtaining licensure through an apprenticeship program.

Section 324.025.5

DHSS states that this section references the promulgation of rules and regulations. It is assumed it will take a Principal Assistant Board/Commission (salary \$51,658) approximately 16 hours make the required changes to state rules. Based on 2,080 working hours per year, this would require 0.01 FTE to assume these duties ( $16 \text{ hours} \div 2,080 \text{ hours per year} = 0.01$ ) for a total personal service cost of \$517 ( $\$51,658 \times 0.01$ ) for FY20.

DHSS anticipates being able to absorb these costs, resulting in zero fiscal impact. However, until the FY20 budget is final, the department cannot identify specific funding sources.

**Oversight** notes that the DHSS has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for their agency for this section.

ASSUMPTION (continued)

In response to a similar proposal from this year (SCS for HB 470), officials from the **Office of the Secretary of State (SOS)** assumex 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 \$5,000. 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 require additional resources.

In response to a similar proposal from this year (SCS for HB 470), officials from the **Joint Committee on Administrative Rules (JCAR)** statex this legislation is not anticipated to cause a fiscal impact beyond its current appropriation.

**Oversight** assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

In response to a similar proposal from this year (SCS for HB 470), officials from the **Department of Agriculture**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Office of Administration - Administrative Hearing Commission**, the **Department of Transportation**, the **Department of Public Safety - Missouri Highway Patrol**, and the **Department of Natural Resources** each assumed the proposal will have no fiscal impact on their respective organizations.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

ASSUMPTION (continued)

Section 344.030.2(1)

Officials from the **Department of Health and Senior Services - Division of Regulation and Licensure (DRL)** assume the proposed legislation removes the Board of Nursing Home Administrators (BNHA) ability to deny licenses based on moral turpitude. This will require BNHA to promulgate new rules for the program. It is assumed it will take the Board of Nursing Home Administrator's Principal Assistant Board/Commission (salary \$51,658) approximately 16 hours to make the required changes to state rules. Based on 2,080 working hours per year, this would require 0.01 FTE to assume these duties ( $16 \text{ hours} \div 2,080 \text{ hours per year} = 0.01$ ) for a total personal service cost of \$517 ( $\$51,658 \times 0.01$ ) for FY20.

The department anticipates being able to absorb these costs. However, until the FY20 budget is final, the department cannot identify specific funding sources.

**Oversight** notes that the DRL has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this agency for this section.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state that this section is anticipated to have no fiscal impact to the department. However, should the extent of the work be more than anticipated, the department would request additional appropriation and/or FTE through the budget process.

**Oversight** notes that the DIFP has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for this section for this agency.

Bill as a whole:

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume this legislation removes "reasonably" and replaces it with "directly". It will take additional review and time to determine if something is "directly related" to the occupation compared to "reasonably related." The person determining that will have to know the essence of a profession and what it requires to be able to determine if the criminal conviction is directly related and whether that crime needs to go on the specific list of crimes as the statute requires. The department is estimating needing one attorney FTE for this work.

ASSUMPTION (continued)

**Oversight** will reflect DIFP's estimated need of 1 additional attorney at \$68,310 annually. Oversight will reflect the estimated DIFP cost as (\$98,918) in FY 2020, (\$107,103) in FY 2021 and (\$108,116) in FY 2022.

In summary, DIFP assumes a total cost for this proposal (4 FTE at \$68,310 annually and an additional unknown cost of \$100,000 for either or both contracting and additional legal staff ) of Unknown but greater than \$495,672 in FY 2020, \$519,414 in FY 2021 and \$532,463 in FY 2022 to Various Department Funds to provide for the implementation of all of the changes in this proposal.

Officials from the **Office of Administration**, the **Department of Transportation**, the **Office of Prosecution Services**, the **Department of Natural Resources**, the **Department of Corrections**, the **Office of Administration - Administrative Hearing Commission**, the **Office of the State Public Defender**, the **Office of the State Courts Administrator**, the **Department of Public Safety - Missouri Highway Patrol**, the **Department of Economic Development**, the **Office of the State Treasurer** each assume the proposal will have no fiscal impact on their respective organizations.

In response to a previous version, officials from the **Department of Agriculture** assumed the proposal will have no fiscal impact on their organization.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

Senate Amendment 1

**Oversight** assumes this amendment is a technical change and will have no fiscal impact on state or local government.

Senate Amendment 2

**Oversight** assumes this amendment establishes the Joint Task Force on Radiologic Technologist Licensure that is subject to appropriation. Oversight assumes this amendment will not have a fiscal impact on state or local governments.

ASSUMPTION (continued)

Senate Amendment 5

**Oversight** assumes this amendment will not have a fiscal impact on state or local governments.

Senate Amendment 6

§§ 334.702, 334.703, 334.704, 334.706, 334.708, 334.710, 334.712, 334.715, 334.717, 334.721, 334.725, 334.726 - Provisions Relating to Athletic Trainers

In response to a similar proposal from this year (SCS/HB 705), officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assumed this bill is anticipated to have no fiscal impact to DIFP. However, should the extent of the work be more than anticipated, the department would request additional appropriation and/or FTE through the budget process.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these sections for these agencies for these sections.

Senate Amendment 7

**Oversight** assumes this amendment will not have a fiscal impact on state or local governments.

Senate Amendment 8

§324.009 - Professional Licensing Reciprocity

**Oversight** notes these sections are similar to HB 1140 from 2019.

In response to a similar proposal from this year (HB 1140), officials from the **Department of Health and Senior Services (DHSS)** assumed the proposed legislation revises the professional licensing reciprocity criteria necessary to qualify for a license in the state of Missouri, including nonresident military spouses. Applicants applying for licensure under the proposed legislation would fall under the same reciprocity process, fee, and review as current applicants. Changing regulations and applicant licensure reviews are within the normal ebb and flow for the Department, so minimal time and expense will be required to conduct the requirements of the proposed legislation.

The department anticipates being able to absorb these costs. However, until the FY20 budget is final, the department cannot identify specific funding sources.

ASSUMPTION (continued)

In response to a similar proposal from this year (HB 1140), officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Revenue**, the **Department of Natural Resources**, the **Department of Agriculture**, the **Department of Transportation**, the **Department of Public Safety - Missouri Highway Patrol** and the **Office of Administration - Administrative Hearing Commission** each assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
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**GENERAL REVENUE FUND**Cost - DHSS (§§ 324.012.5 & 324.012.11)

Salary	\$0 to (\$12,094)	\$0 to (\$8,143)	\$0 to (\$8,225)
Fringe Benefits	\$0 to (\$6,050)	\$0 to (\$4,058)	\$0 to (\$4,083)
Equipment and Expense	\$0 to (\$8,411)	\$0 to (\$1,701)	\$0 to (\$1,743)
<u>Total Cost - DHSS</u>	<u>\$0 to (\$26,555)</u>	<u>\$0 to (\$13,902)</u>	<u>\$0 to (\$14,051)</u>
<u>FTE Change - DHSS</u>	0 to 0.225 FTE	0 to 0.125 FTE	0 to 0.125 FTE

Cost - DHSS (Section 324.025) (SA3)

Salary	\$0 to (\$5,375)	\$0	\$0
Fringe Benefits	\$0 to (\$2,689)	\$0	\$0
Equipment and Expense	\$0 to (\$4,069)	\$0	\$0
<u>Total Cost - DHSS</u>	<u>\$0 to (\$12,133)</u>	<u>\$0</u>	<u>\$0</u>
<u>FTE Change - DHSS (Section 324.025)</u>	0 to 0.1 FTE	0 FTE	0 FTE

<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>\$0 to (\$38,688)</u></b>	<b><u>\$0 to (\$13,902)</u></b>	<b><u>\$0 to (\$14,051)</u></b>
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Estimated Net FTE to the General Revenue Fund	0 to 0.325 FTE	0 to 0.125 FTE	0 to 0.125 FTE
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<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>VARIOUS DIFP FUNDS</b>			
<u>Revenue</u> - DIFP p. 4 \$25 petition fee (Section 324.012)	\$117,000	\$117,000	\$117,000
<u>Cost</u> - DIFP (Section 324.012)			
Salaries	(\$170,775)	(\$206,979)	(\$209,049)
Fringe Benefits	(\$83,565)	(\$100,903)	(\$101,534)
Equipment and Expense	(\$42,414)	(\$13,429)	(\$13,764)
Other Fund Cost (Additional FTE or Legal Contract Cost for listing criminal convictions	\$0 or (Unknown greater than \$100,000)	\$0 or (Unknown greater than \$100,000)	\$0 or (Unknown greater than \$100,000)
<u>Total Cost</u> - DIFP (Section 324.012) p. 3	(Could be greater than \$396,754)	(Could be greater than \$421,311)	(Could be greater than \$424,347)
FTE Change - DIFP (Section 324.012)	3 FTE	3 FTE	3 FTE
<u>Cost</u> - DIFP (Bill as a whole)			
Salaries	(\$56,925)	(\$68,993)	(\$69,683)
Fringe Benefits	(\$27,855)	(\$33,634)	(\$33,845)
Equipment and Expense	(\$14,138)	(\$4,476)	(\$4,588)
<u>Total Cost</u> - DIFP (Bill as a whole) p. 9	(\$98,918)	(\$107,103)	(\$108,116)
FTE Change - DIFP	1 FTE	1 FTE	1 FTE
<u>Cost</u> - DIFP (Section 324.025) SA3 Additional duties as a result of this proposal	(Unknown)	(Unknown)	(Unknown)
<b>ESTIMATED NET EFFECT TO VARIOUS DIFP FUNDS</b>	<b>(Could be greater than \$378,672)</b>	<b>(Could be greater than \$411,414)</b>	<b>(Could be greater than \$415,462)</b>
Estimated Net FTE Change to the General Revenue Fund	4 FTE	4 FTE	4 FTE

**FEDERAL FUNDS**

<u>Cost - DED-DWD SA3</u>	\$0 to ....	\$0 to ....	\$0 to ....
Salaries	(\$42,590)	(\$51,619)	(\$52,135)
Fringe Benefits	(\$23,487)	(\$28,340)	(\$28,498)
Equipment and Expense	<u>(\$11,874)</u>	<u>(\$4,577)</u>	<u>(\$4,692)</u>
<u>Total Cost - DED-DWD</u>	<u>(\$77,951)</u>	<u>(\$84,536)</u>	<u>(\$85,325)</u>
FTE Change - DED-DWD	1 FTE	1 FTE	1 FTE

<b>ESTIMATED NET EFFECT TO FEDERAL FUNDS</b>	<b><u>\$0 to (\$77,951)</u></b>	<b><u>\$0 to (\$84,536)</u></b>	<b><u>\$0 to (\$85,325)</u></b>
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Estimated Net FTE Change to Federal Funds	0 to 1 FTE	0 to 1 FTE	0 to 1 FTE
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<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This proposal establishes the “Fresh Start Act of 2019.”

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

L.R. No. 1384-15

Bill No. SS for SCS for HCS for HB 564 with Senate Amendments 1, 2, 3, 5, 6 & 7 (**Pending Review**)

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May 17, 2019

### SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration

Office of Administration - Administrative Hearing Commission

Department of Revenue

Department of Health and Senior Services

Department of Natural Resources

Department of Agriculture

Department of Transportation

Department of Public Safety - Missouri Highway Patrol

Department of Economic Development

Department of Corrections

Office of the State Courts Administrator

Office of the State Public Defender

Office of Prosecution Services



Kyle Rieman

Director

May 17, 2019

Ross Strobe

Assistant Director

May 17, 2019