

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5530H.011  
Bill No.: HB 2699  
Subject: Professional Registration and Licensing; Department of Revenue; Taxation and Revenue - General  
Type: Original  
Date: March 4, 2024

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Bill Summary: This proposal repeals provisions relating to suspension of professional licenses for failure to pay state taxes or file state tax returns.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</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 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Health and Senior Services (DHSS)** assume the proposed legislation repeals Section 324.010, which provides that professional licenses shall be suspended for failure to pay state taxes or file state income tax returns. Per the current statute, all governmental entities issuing professional licenses, certifications, registrations, or permits, pursuant to sections 209.319 to 209.339, sections 214.270 to 214.516, sections 256.010 to 256.453, section 375.014, sections 436.005 to 436.071, and chapter 317 and chapters 324 to 346, must provide the Department of Revenue with the name and social security number of licensees for verification of tax compliance.

Currently, Section 324.010 requires the Board of Nursing Home Administrators (BNHA) to provide a monthly report of licensees to the Department of Revenue for verification of tax compliance. In the event a licensee is identified as delinquent on any state taxes or has failed to file state income tax returns, the BNHA must notify the licensee of the need to rectify the issue in order to ensure his/her license is not suspended.

Should the proposed legislation become effective, the BNHA would no longer have to perform the duties currently required by Section 324.010.

**Oversight** assumes that if this legislation becomes effective, DHSS could have a small savings by not having to perform the duties currently required. Oversight assumes the savings would be immaterial and will not reflect them in the fiscal note.

Officials from the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Office of Administration** and the **Office of the State Auditor** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Department of Revenue** and the **Office of Administration - Budget and Planning** defer to the Department of Commerce and Insurance for the potential fiscal impact of this proposal.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

A direct fiscal impact to small businesses that fail to pay state taxes or file state tax returns would be expected as a result of this proposal.

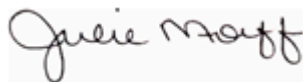
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

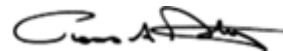
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration - Budget and Planning  
Department of Commerce and Insurance  
Department of Economic Development  
Department of Health and Senior Services  
Department of Revenue  
Office of Administration  
Office of the State Auditor



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March 4, 2024



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