

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1994H.01I
Bill No.: HB 881
Subject: Professional Registration and Licensing; Environmental Protection; Health, Public
Type: Original
Date: April 6, 2025

Bill Summary: This proposal creates provisions relating to the licensing of radon industry professionals and businesses.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
PR Fees Fund (0689)	(\$341,839)	\$0	\$0
Radon Control Fund	\$0	\$672,765	(\$318,246)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$341,839)	\$672,765	(\$318,246)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
PR Fees Fund (0689)	3 FTE	3 FTE	3 FTE
Total Estimated Net Effect on FTE	3 FTE	3 FTE	3 FTE

☒ 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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Section 324.2045- Board of Radon Safety

Officials from the **Department of Commerce and Insurance (DCI)** assume section 324.2045 establishes the Board of Radon Safety, consisting of seven members. Board members are reimbursed for travel costs and actual and necessary expenses. Board members shall be a Missouri resident or an adjacent state. Section 324.2047 creates the Radon Control Fund. Licensing requirements shall not apply until January 1, 2026 per section 324.2005

DCI assumes the following:

Revenue Estimates:

Licensee/Revenue (Numbers include reciprocity applicants.)

200 Measurement Professional License (Section 324.2010)

\$2,550 Initial License Fee

\$2,100 Biennial Renewal Fee

100 Mitigation Professional License (Section 324.2015)

\$2,550 Initial License Fee

\$2,100 Biennial Renewal Fee

10 Radon Mitigation Inspection Professional License (Section 324.2020)

\$2,550 Initial License Fee

\$2,100 Biennial Renewal Fee

2 Radon Laboratory License (Section 324.2025)

\$2,550 Initial License Fee

\$2,100 Biennial Renewal Fee

75 Radon Business Entity License (Section 324.2030)

\$3,000 Two-year License Fee

Section 324.2030 does not address renewal of the business license.

- Projected revenue reflects fees collected for all categories of licensure.
- A 3% growth rate has been estimated.

- It is estimated that the collection of initial license fees will begin in FY 2027 and renewal fees will not be collected until FY 2029.
- If the number of licensees largely vary from the number estimated above, the licensure fees will be adjusted accordingly.

In summary, DCI assumes a revenue of \$1,020,600 in FY 2027 and \$28,950 in FY 2028 to the Radon Control Fund as a result of the changes in this proposal.

Staffing Expenses

Staffing-Estimated at PR current staffing salaries

1 Principal Assistant (\$82,000) needed to serve as the senior executive officer of the registration agency.

1 Customer Service Representative (\$38,100) needed to provide technical support, process applications for licensure, and respond to inquiries related to the licensure law and/or rules and regulations.

1 Senior Non-Commissioned Investigator (\$49,600) needed to conduct investigations and inspections, serve notices, and gather information required by the board.

In summary, DCI assumes a cost of \$341,838 in FY 2026, \$347,835 in FY 2027 and \$347,195 in FY 2028 to provide for the implementation of the changes in this proposal.

Oversight will reflect the cost of the proposal to the PR Fees Fund (0689) in FY 2026 (as licensing fees will not be collected until FY 2027 to the Radon Control Fund). Oversight will then show a transfer of funds to the PR fee fund in FY 2027 and FY 2028 to the PR Fees Fund from the Radon Control Fund to offset the cost.

Oversight notes the current balance of the PR Fees Fund is \$1,077,437 as of March 2025.

Officials from the **Department of Revenue** and the **Office of the State Treasurer** 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
PR FEES FUND (0689)			
<u>Transfer In</u> – from Radon Control Fund	\$0	\$347,835	\$347,196
<u>Cost</u> – DCI §324.2045 p.4			
Personal Service	(\$141,417)	(\$173,094)	(\$176,556)
Fringe Benefits	(\$96,160)	(\$116,752)	(\$118,140)
Equipment and Expense	(\$60,510)	\$0	\$0
Other Cost	(\$43,752)	(\$57,989)	(\$52,500)
<u>Total Cost - DCI</u>	<u>(\$341,839)</u>	<u>(\$347,835)</u>	<u>(\$347,196)</u>
FTE Change - DCI	3 FTE	3 FTE	3 FTE
ESTIMATED NET EFFECT TO THE PR FEES FUND (0689)	<u>(\$341,839)</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change to the PR Fees Fund	3 FTE	3 FTE	3 FTE
RADON CONTROL FUND			
<u>Revenue</u> – DCI §324.2045 p.3	\$0	\$1,020,600	\$28,950
<u>Transfer Out</u> – to PR Fees Fund	<u>\$0</u>	<u>(\$347,835)</u>	<u>(\$347,196)</u>
ESTIMATED NET EFFECT TO THE PR FEES FUND	<u>\$0</u>	<u>\$672,765</u>	<u>(\$318,246)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

A direct fiscal impact to small businesses who now are required to be licensed would be expected as a result of this proposal.

FISCAL DESCRIPTION

Beginning January 1, 2026, this bill prohibits any person or business entity from conducting radon measurement, mitigation, inspection, or laboratory analysis for compensation without the appropriate private certification and State licensing. The bill outlines the eligibility criteria, application process, fees, insurance policy requirement, and renewal process for each type of license. This bill establishes the "Board of Radon Safety" within the Division of Professional Registration, which will consist of seven members appointed by the Governor.

The bill specifies the duties, powers, and responsibilities of the Board, such as promoting radon testing and mitigation, developing and conducting programs, issuing and renewing licenses, collecting and depositing fees, issuing subpoenas, recording minutes, and enforcing compliance. This bill creates the "Radon Control Fund", which will be used solely for the administration and enforcement of these provisions.

The bill also outlines the collection, deposit, disbursement, and investment of the moneys in the Fund. This bill authorizes the Board of Radon Safety to refuse to issue, renew, or reinstate any license, or to censure, place on probation, suspend, or revoke any license, for any one or any combination of the causes stated in the bill. The bill also provides for the filing of a complaint with the Administrative Hearing Commission and the conduct of the proceedings. This bill gives the Board of Radon Control or its agent or inspector the power to examine records, inspect or test equipment, photograph or sketch sites, buildings, or equipment, question persons, require the production of evidence, and issue stop orders for any violation. The bill requires measurement professionals, mitigation professionals, and radon mitigation inspection professionals to report the address, results, and other records about services performed.

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

Department of Commerce and Insurance
Department of Revenue
Office of the State Treasurer



Julie Morff
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April 6, 2025



Jessica Harris
Assistant Director
April 6, 2025