

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1533-01  
Bill No.: HB 708  
Subject: General Assembly  
Type: Original  
Date: March 25, 2005

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<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.

This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of the Secretary of State (SOS)** assume this proposal would repeal certain sections or portions of sections of law which have expired, sunset, terminated, or are ineffective. This bill may result in various state agencies promulgating rules to implement this legislation. Those rules would be published in the Missouri Register and the Code of State Regulations. Based on experience with other divisions, the rules, regulations and forms issued by the various state agencies could require as many as 36 pages in the Code of State Regulations. The estimated cost of a page in the Code of State Regulations is \$27. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded, or withdrawn.

**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.

ASSUMPTION (continued)

Officials from the **Missouri Senate**, the **Missouri House of Representatives**, the **Ethics Commission**, the **Department of Economic Development**, the **Public Service Commission**, the **Department of Health and Senior Services**, the **Department of Higher Education**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Elementary and Secondary Education**, the **Department of Labor and Industrial Relations**, the **Department of Public Safety**, the **Missouri Lottery Commission**, the **Missouri Gaming Commission**, the **Department of Conservation**, the **State Tax Commission**, the **Office of the State Public Defender**, the **Office of the State Treasurer**, the **Department of Insurance**, the **Office of the Lieutenant Governor**, the **Joint Committee on Public Employee Retirement**, the **Highway Employees and Patrol Retirement System**, the **Office of the State Auditor**, the **Department of Transportation**, and the **Missouri Consolidated Health Care Plan** each assume this proposal would have no fiscal impact on their respective organizations.

In response to a similar proposal from this year (HB 573), officials from the **Office of the Attorney General**, the **Office of Administration - Division of Budget and Planning** and the **Department of Agriculture** assumed the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Social Services - Division of Medical Services (DMS)** believes this legislation repeals language involving the Pharmacy Reimbursement Allowance Fund (Sections 338.500 - 338.550). DMS believes the passage of this bill will result in a loss of \$62 million in pharmacy tax funding which would need to be replaced with General Revenue funds. The pharmacy appropriation, through Governor recommendations, was crafted with the assumption that the pharmacy tax would be extended. This bill is in conflict with SB 189, which extended the pharmacy tax from June 30, 2005 to June 30, 2006. DMS assumes this proposal could result in a loss of \$62,000,000 of revenues into the Pharmacy Reimbursement Allowance Fund.

**Oversight** assumes that since the Pharmacy Tax under sections 338.500 to 338.550 RSMo. expires on June 30, 2005, the repeal of those sections would not have a fiscal impact since this proposal would take effect August 28, 2005. Therefore, without the passage and signing of other bills in the current session to extend the tax, Oversight assumes the repeal of Sections 338.500 to 338.550 in August 2005 will not fiscally impact the Department of Social Services.

Officials from the **Department of Corrections**, the **Department of Revenue** and the **Office of Administration** did not respond to our request for information.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal repeals certain provisions of law which have expired, sunset, terminated, or are ineffective as identified by the Joint Committee on Legislative Research.

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

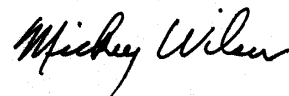
Office of the Secretary of State  
Missouri Senate  
Missouri House of Representatives  
Ethics Commission  
Department of Economic Development  
Public Service Commission  
Department of Health and Senior Services  
Department of Higher Education

RS:LR:OD (12/02)

SOURCES OF INFORMATION (continued)

Department of Mental Health  
Department of Natural Resources  
Department of Elementary and Secondary Education  
Department of Labor and Industrial Relations  
Department of Public Safety  
Missouri Lottery Commission  
Missouri Gaming Commission  
Department of Conservation  
State Tax Commission  
Office of the State Public Defender  
Office of the State Treasurer  
Department of Insurance  
Office of the Lieutenant Governor  
Joint Committee on Public Employee Retirement  
Highway Employees and Patrol Retirement System  
Office of the State Auditor  
Department of Transportation  
Missouri Consolidated Health Care Plan  
Office of the Attorney General  
Office of Administration - Division of Budget and Planning  
Department of Agriculture  
Department of Social Services

**NOT RESPONDING: the Department of Corrections, the Department of Revenue and the Office of Administration**



Mickey Wilson, CPA  
Director  
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