

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0352-01
Bill No.: HB 57
Subject: Medical Procedures and Personnel; Licenses - Professional; Insurance Dept.
Type: Original
Date: April 3, 2009

Bill Summary: Establishes the Registered Surgical Technologist Title Protection Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Registered Surgical Technologist	\$0	\$141,343	(\$46,536)
PR Fees	(\$24,105)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$24,105)	\$141,343	(\$46,536)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Registered Surgical Technologist	0.5	0.5	0.5
Total Estimated Net Effect on FTE	0.5	0.5	0.5

☐ 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 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Office of State Treasurer, and Office of State Public Defender** assume the proposal will have not fiscally impact their organizations.

Officials from the **Office of Prosecution Services (OPS)** state the proposal will have no measurable fiscal impact on the OPS.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources, but the AGO may need to request additional appropriations to handle the increase in workload if multiple cases arise from the proposal.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS realizes this is a small amount and does not expect that additional funding would be required to meet these costs. The SOS 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 that the office can sustain within its 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.

Officials from the **Department of Corrections (DOC)** state the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court. If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender costs either through incarceration (FY 08 average annual cost of \$5,709 per inmate) or through supervision provided by the Board of Probation and Parole (FY 08 average annual cost of \$902 per offender).

The DOC assumes the narrow scope of the crime will not encompass a large number of offenders, the low felony status of the crime enhances the possibility of plea-bargaining or imposition of a probation sentence, and the probability exists that offenders would be charged with a similar but more serious offense and that sentences may run concurrent to one another. Therefore, supervision through probation or incarceration would result in some additional costs, but the DOC assumes the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

ASSUMPTION (continued)

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** estimate the proposal will result in the licensing of 1,780 surgical technologists and surgical assistants. The DIFP assumes a biennial registration with an initial registration fee of \$115 and a renewal fee of \$95, a 3% growth rate, initial licensing beginning in FY 11, and renewals beginning in FY 13. FY 11 registration fee revenue is estimated to be \$204,700. The DIFP assumes all fees collected and all expenses paid would be deposited into and paid out of the Registered Surgical Technologist Fund. It is also assumed that no revenue will be generated prior to FY 11; therefore, expenses incurred by the board prior to FY 11 will be borrowed from and paid back to the PR Fees Fund by a lending board within the division, pursuant to section 324.016, RSMo. It is estimated the payback of any outstanding loans would be made in FY 13. Should the number of licensees vary significantly from the number estimated above, the licensure fees will be adjusted accordingly.

The DIFP assumes implementation of the proposal will require hiring an additional 0.5 FTE Licensure Technician I (\$25,380 annually) to provide technical support, process applications for licensure, and respond to any inquiries related to the licensure law and/or rules and regulations.

Based on a board of similar size, the DIFP assumes 54 complaints would be received each year, beginning in FY 11. It is estimated that 30% of the complaints filed (16) would require field investigations and that 50% of the complaints requiring field investigations (8) would require an investigator to incur overnight expenses. Annual investigative expenses are estimated to be \$2,398.

The DIFP assumes there will be costs associated with needing the services of the Attorney General's Office (AGO) and the Administrative Hearing Commission (AHC). Based on a board of similar size, AGO and AHC costs are estimated to be \$15,076 annually beginning in FY 11.

The DIFP assumes printing and postage costs will be incurred in the first year for statute and rule printings, applications, letterhead and envelopes, and mailings associated with initial licensure. FY 10 printing and postage costs are estimated to be \$22,250; FY 11 and FY 12 costs are estimated at \$8,941 annually.

Oversight notes the effective date of the proposal is July 1, 2010.

<u>FISCAL IMPACT - State Government</u>	FY 2010	FY 2011	FY 2012
REGISTERED SURGICAL TECHNOLOGIST FUND			
<u>Transfer-In - DIFP</u>			
Transfer from PR Fees Fund	\$24,105	\$0	\$0
<u>Revenue - DIFP</u>			
License fees/renewals	\$0	\$204,700	\$6,095
<u>Costs - DIFP</u>			
Personal service (0.5 FTE)	(\$10,839)	(\$13,332)	(\$13,666)
Fringe benefits	(\$5,271)	(\$6,483)	(\$6,646)
Equipment and expense	(\$7,995)	(\$28,466)	(\$16,480)
AGO and AHC	\$0	(\$15,076)	(\$15,839)
Total Costs - DIFP	<u>(\$24,105)</u>	<u>(\$63,357)</u>	<u>(\$52,631)</u>
FTE Change - DIFP	0.5 FTE	0.5 FTE	0.5 FTE
ESTIMATED NET EFFECT ON REGISTERED SURGICAL TECHNOLOGIST FUND	<u>\$0</u>	<u>\$141,343</u>	<u>(\$46,536)</u>
Estimated Net FTE Change for Registered Surgical Technologist Fund	0.5 FTE	0.5 FTE	0.5 FTE
PR FEES FUND			
<u>Transfer-Out - DIFP</u>			
Transfer to Registered Surgical Technologist Fund	<u>(\$24,105)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON PR FEES FUND	<u>(\$24,105)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal may impact small businesses that employ surgical assistants and technologists if they pay for licensing fees.

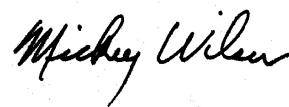
FISCAL DESCRIPTION

This proposal establishes the Registered Surgical Technologist Title Protection Act. Beginning July 1, 2010, the proposal: (1) Requires persons wishing to practice as registered surgical technologists to be registered with the State Board of Registration for the Healing Arts within the Department of Insurance, Financial Institutions and Professional Registration; (2) Authorizes the board to establish rules; set fees; refuse to issue, renew, or restore a registration; or place a person on probation, censure, reprimand, or take other disciplinary action for violations specified in the proposal; and (3) Creates within the state treasury the Registered Surgical Technologist Fund.

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 Attorney General
Office of State Courts Administrator
Department of Insurance, Financial Institutions and Professional Registration
Department of Corrections
Office of Prosecution Services
Office of Secretary of State
Office of State Public Defender
Office of State Treasurer



Mickey Wilson, CPA

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