

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1753-01
Bill No.: HB 920
Subject: Education, Higher; Mental Health; Mental Health Department; Counseling
Type: Original
Date: March 31, 2017

Bill Summary: This proposal requires student counseling facilities at public institutions of higher education in this state to meet certain standards with respect to student-to-staff ratios, average wait time for an initial visit, and other factors established by the Department of Mental Health.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(\$68,263)	(\$78,556)	(\$79,279)
Total Estimated Net Effect on General Revenue	(\$68,263)	(\$78,556)	(\$79,279)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	1	1	1
Total Estimated Net Effect on FTE	1	1	1

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Mental Health (DMH)** state this proposed legislation creates an entirely new obligation for the Department of Mental Health, one that exceeds the Department's mission, area of expertise and services. Students presenting at university counseling centers typically do not possess the kinds of problems and issues that the Department is equipped and prepared to address. The Department is the State authority for Developmental Disabilities, Severe Mental Illness, and Substance Use Disorders. While some students would be affected by these severe conditions, most would not. It would be expected the vast majority of problems confronting university counseling centers would include anxiety disorders, moderate mood disorders, adjustment problems, personality disorders and learning disabilities. The promulgation of rules and standards about student-to-staff ratios, initial appointment wait time, etc. will require new and specialized staff to accomplish.

The DMH would have to create a unit devoted to university student counseling services. The bill calls for not only the promulgation of rules and regulations, but the development of processes of annual evaluation and needs assessment.

The DMH would anticipate employing a Mental Health Manager to oversee the program at \$50,000 annually. A half time Administrative Office Support Assistant would provide clerical and other support at a cost of \$15,192 per year. Equipment and expense requirements are projected at \$9,545 for the first year. In summary, it is projected that costs for the program would amount to \$92,773 for the first year, \$104,508 for the second year, and \$105,455 for the third year.

Oversight assumes the DMH would not hire part-time staff and would assign those duties to existing personnel.

Officials from **Missouri State University (MSU)** state there will be a potential negative fiscal impact of an undetermined amount to MSU.

Officials from the **State Technical College of Missouri** provide this proposal will have an unknown negative impact, contingent upon the rules established, if the ratios require State Technical College to hire more counselors.

Officials from the **University of Central Missouri (UCM)** state this proposal could have a significant fiscal impact if they are required to meet a certain staff-to-student ratio.

Oversight will present college/university costs as \$0 or (Unknown) since the potential impact depends on what rules are implemented by the DMH.

ASSUMPTION (continued)

Officials from the **Department of Higher Education (DHE)** assume the provisions of 173.2530.2 and 173.2532 can be done with existing staff and resources.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** state 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 \$2,500. 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 request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE FUND			
<u>Costs - DMH (§§173.2530 and 173.2532)</u>			
Personal service	(\$41,667)	(\$50,500)	(\$51,005)
Fringe benefits	(\$20,998)	(\$25,347)	(\$25,497)
Equipment and expense	<u>(\$5,598)</u>	<u>(\$2,709)</u>	<u>(\$2,776)</u>
Total <u>Costs - DMH</u>	<u>(\$68,263)</u>	<u>(\$78,556)</u>	<u>(\$79,278)</u>
FTE Change - DMH	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$68,263)</u>	<u>(\$78,556)</u>	<u>(\$79,279)</u>
Estimated Net FTE Change on the General Revenue Fund	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
LOCAL GOVERNMENTS - COLLEGES AND UNIVERSITIES			
<u>Costs - Colleges and Universities</u> (§§173.2530 and 173.2532)			
Increase in personal service costs to hire additional counselors	<u>\$0</u>	<u>\$0</u>	<u>\$0 or</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS - COLLEGES AND UNIVERSITIES			
	<u>\$0</u>	<u>\$0</u>	<u>\$0 or</u> <u>(Unknown)</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

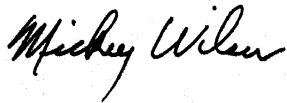
Prior to January 1, 2018, the Department of Mental Health (DMH) must promulgate rules setting forth reasonable standards and regulations for student counseling facilities at public institutions of higher education relating to mental health problems within the academic community. After developing such standards and regulations, DMH must develop a process for evaluating these student counseling programs. After consulting with the Department of Higher Education (DHE), DMH must prescribe policies and procedures for annual reviews of an institution's counseling program and actions to be taken when programs fails to meet the department's standards.

Beginning in the 2019-20 school year, student counseling facilities in operation at public institutions of higher education must participate in an annual needs assessment to identify deficiencies that place such facilities below standards established by DMH.

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 Higher Education
Department of Mental Health
Joint Committee on Administrative Rules
Office of Secretary of State
Missouri State University
State Technical College of Missouri
University of Central Missouri



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Director
March 31, 2017

Ross Strobe
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March 31, 2017