

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1429-01
Bill No.: HB 611
Subject: Abortion; Health Department
Type: Original
Date: March 4, 2015

Bill Summary: This proposal requires any organization, institution, or facility which performs abortions to make an annual accounting of all funds received under Title X of the federal Public Health Services Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$571,536)	(\$175,863)	(\$179,328)
Total Estimated Net Effect on General Revenue	(\$571,536)	(\$175,863)	(\$179,328)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
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 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS), Division of Community and Public Health (DCPH)** state section 188.207 of the proposed legislation requires the accounting information of abortion providers to be filed with DHSS. DHSS would be required to provide forms and promulgate rules to implement and enforce the requirements of this section. Implementation of this legislation will require one Research Analyst III (\$40,380 annually) located in the Bureau of Vital Statistics. The Research Analyst will be responsible for assisting with 1) defining the content of any forms generated for reporting, 2) working with the Information Technology Services Division (ITSD) in developing the application which collects the information submitted directly by the required entities and allows for queries; 3) developing the methodology used to determine which facilities are in compliance with completing an annual accounting of any and all moneys received; and 4) developing any reports required by the department or required as a result of this legislation.

The DHSS provided the response for the **Office of Administration (OA), Technology Services Division (ITSD)**. ITSD states development, test, and production application environments would be required. The application will be a Visual Basic .NET application hosted in the State Data Center utilizing a SQL or Oracle database. The application is to be accessible outside of the state network for submission of data by required entities. The actual database size is unknown but estimated at 50 GB for production. Standard backup and recovery procedures will be followed. Cost for backup services have been calculated based on disk space in use per day. (50 GB X 3 environments X 365 days = 54,750). This project is assumed to be a 12 month project requiring 6,739.2 hours of contract consultant time at \$75/hour (\$505,440) plus minimal computer equipment and expense. In addition ongoing support will be required. ITSD estimates FY 2016 costs to the General Revenue Fund of \$509,813; FY 2017 costs of \$108,994; and FY 2018 costs of \$111,719.

Therefore, DHSS estimates the total cost of this proposal (including ITSD contract costs) to the General Revenue Fund to be \$578,495 for FY 2016; \$184,422 for FY 2017; and \$188,101 for FY 2018.

Oversight assumes the DHSS would not need additional rental space and travel expenses for one FTE Research Analyst. However, if multiple proposals pass which require additional FTE and rental space, the DHSS can request additional funding through the appropriations process.

Oversight notes the DHSS estimate of IT cost to implement this proposal was based on the current state contract rate for IT consulting services (\$75 per hour). DHSS officials told us OA-ITSD informed them employees would not be available in FY 2016 for IT projects to implement new legislation and contractors would be required.

ASSUMPTION (continued)

Officials from the **Joint Committee on Administrative Rules**, the **Office of State Courts Administrator, St. Louis County**, the **Columbia/Boone County Department of Public Health and Human Services**, the **Harrison County Public Health Department & Hospice** and the **City of Independence Health Department** each assume the proposal would not fiscally impact their respective agencies.

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.

Officials from **Jackson County** and **St. Louis City** did not respond to **Oversight's** request for a statement of fiscal impact.

Officials from the following **health departments**: Audrain County Health Unit, Cass County Health Department, Clay County Public Health Center, Cooper County Public Health Center, Henry County Health Center, Hickory County Health Department, Howell County Health Department, Jefferson County Health Department, Linn County Health Department, McDonald County Health Department, Madison County Health Department, Marion County Health Department, Miller County Health Center, Morgan County Health Center, Nodaway County Health Center, Platte County Health Department, Polk County Health Center, Pulaski County Health Center and Home Health Agency, Randolph County Health Department, Reynolds County Health Center, Ripley County Health Center, Shelby County Health Department, the St. Francois County Health Center, the St. Joseph Health Department and the Taney County Health Department did not respond to **Oversight's** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
GENERAL REVENUE FUND			
(\$188.207)			
<u>Costs - DHSS</u>			
Personal service	(\$33,650)	(\$40,784)	(\$41,192)
Fringe benefits	(\$17,500)	(\$21,210)	(\$21,422)
Equipment and expense	(\$10,573)	(\$4,875)	(\$4,995)
IT contract fees	<u>(\$509,813)</u>	<u>(\$108,994)</u>	<u>(\$111,719)</u>
Total <u>Costs - DHSS</u>	<u>(\$571,536)</u>	<u>(\$175,863)</u>	<u>(\$179,328)</u>
FTE Change - DHSS	1 FTE	1 FTE	1 FTE
 ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND			
	<u>(\$571,536)</u>	<u>(\$175,863)</u>	<u>(\$179,328)</u>
 Estimated Net FTE Change on the General Revenue Fund			
	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal may negatively impact any small business that provides abortion services.

FISCAL DESCRIPTION

This proposal requires an organization, institution, or facility that performs or assists in performing an abortion that is not necessary to save the life of the mother or that encourages or counsels a woman to have an abortion that is not necessary to save her life, to make an annual accounting of any and all funds received pursuant to Title X of the Public Health Services Act, 42 U.S.C. Section 300. The accounting must identify each grant of funds and must describe in detail the purpose of the grant and the services provided under the grant. The accounting must account for the exact amount of funds received and disbursed pursuant to the grant and must identify the recipients of each disbursement, as well as the purpose of each disbursement. The

FISCAL DESCRIPTION (continued)

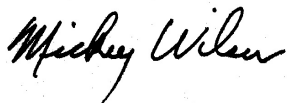
proposal prohibits the accounting from listing the name of any patient or any part of the Social Security number of any patient and requires identification of each patient using a unique identification number. The accounting must be filed with the Director of the Department of Health and Senior Services, who must provide forms and promulgate regulations to enforce the provisions of the proposal. The department must retain the accountings for seven years.

Any taxpayer residing in the county in which the organization, institution, or facility is located is authorized to petition the court of that county for an injunction ordering the organization, institution, or facility to comply with these provisions. The court may award the taxpayer reasonable attorneys fees and court costs.

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 Health and Senior Services
Joint Committee on Administrative Rules
Office of State Courts Administrator
Office of Secretary of State
St. Louis County
Columbia/Boone County Department of
Public Health and Human Services
Harrison County Public Health Department & Hospice
City of Independence Health Department



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March 4, 2015

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March 4, 2015