

## Department of Planning and Budget 2019 Fiscal Impact Statement

**1. Bill Number:** HB1939

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

**2. Patron:** Webert

**3. Committee:** Passed Both Houses

**4. Title:** Department of Professional and Occupational Regulation; adjustment of fees by regulatory boards.

**5. Summary:** Provides that following the close of any biennium, when the account for any regulatory board within the Department of Professional and Occupational Regulation shows that unspent and unencumbered revenue exceed 20 percent or \$100,000 of the total expenses allocated to the regulatory board for the past biennium, whichever is greater, the regulatory board shall (i) distribute all such excess revenue to current regulants of the board and (ii) reduce the fees levied by it for certification, licensure, registration, or permit and renewal thereof so that the fees are sufficient but not excessive to cover expenses. Under current law, these boards are required to adjust their fees when their account shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than moneys collected on behalf of the board. Current law does not require the boards to distribute excess funds to regulants. The provisions of the first enactment of this act shall become effective on July 1, 2022.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Final. See Item 8.

**8. Fiscal Implications:** This bill implements recommendations made in the Joint Legislative Audit and Review Commission (JLARC) report on the Department of Professional and Occupational Regulation (DPOR) operations and performance, dated October 9, 2018.

This bill would have an indeterminate nongeneral fund revenue impact and indeterminate expenditure impact on DPOR as it may require DPOR to reduce the fees collected by certain boards and it may require the distribution of cash to certain regulants. In remitting funds to certain regulants, DPOR anticipates incurring administrative costs associated with staff time, and for postage and mailing materials. DPOR estimates each check issued to a regulant may cost the department \$5.00, including staff time and postage. The total cost, including staff time and postage, will depend on the number of checks issued by the department. It is anticipated that these costs can be absorbed by DPOR.

**9. Specific Agency or Political Subdivisions Affected:** Department of Professional and Occupational Regulation; Department of Accounts; Department of the Treasury.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.