

Fiscal Estimate Narratives

DSPS 12/14/2017

LRB Number	17-4630/1	Introduction Number	AB-0733	Estimate Type	Original
Description fee waivers for certain occupational credentials					

Assumptions Used in Arriving at Fiscal Estimate

Income Waiver

Assembly Bill 733 waives initial credential fees for any applicant for a professional license where the applicant's household income is at or below 180 percent of the Federal Poverty Level.

The department would incur one-time costs associated with: 1) updating existing forms and creating new forms; 2) updating operating procedures; 3) training staff on the new forms and procedures; and, 4) updating the department's website.

The department has no way of determining what percentage of applicants for licensure are at or below 180 percent of the Federal Poverty Level, as the department does not currently request income information from applicants. The department estimates that it would take an additional five minutes to process an application in which the applicant requests a fee waiver. This would create an additional labor cost of \$1.29 per application. For every one percent of initial license applicants that request the fee waiver, the department would incur approximately \$700 in additional processing expenses.

The department would also see reduced revenues from the fee waiver. For every one percent of applicants that would receive the fee waiver, the department would see a revenue decrease of approximately \$42,800.

For example, if fifteen percent of applicants requested and received the fee waiver, the department would incur \$10,500 in additional processing costs and a decrease in revenue of \$642,000.

Veterans Waiver

Under current law, a veteran may apply for a fee waiver from initial credentialing fees if the veteran has not already received a fee waiver. Assembly Bill 733 would allow a veteran to apply for a fee waiver for an initial credentialing fee even if he or she has already received a fee waiver. The department is unable to determine the impact of this provision.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Description fee waivers for certain occupational credentials		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
<p>The department would incur one-time costs associated with: 1) updating existing forms and creating new forms; 2) updating operating procedures; 3) training staff on the new forms and procedures; and, 4) updating the department's website. The department estimates these costs at approximately \$3,000. The one-time costs can be absorbed within existing budgets.</p>		
II. Annualized Costs:		Annualized Fiscal Impact on funds from:
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
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