

### Fiscal Estimate - 2015 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>15-1560/3</b>	<b>Introduction Number</b> <b>AB-0163</b>	
<b>Description</b> Elimination of the Department of Safety and Professional Services and the Department of Financial Institutions; elimination of the Educational Approval Board; creation of the Department of Financial Institutions and Professional Standards; transfer of the Veterinary Examining Board to the Department of Agriculture, Trade and Consumer Protection, providing an exemption from emergency rule procedures; requiring the exercise of rule-making authority; and making appropriations		
<b>Fiscal Effect</b>  <b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input checked="" type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input checked="" type="checkbox"/> Decrease Existing Appropriations <input checked="" type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Create New Appropriations <input checked="" type="checkbox"/> Decrease Costs		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue      5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS Numerous		
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DSPS/ Michelle Bea Beasley (608) 267-1811	Greg Gasper (608) 266-8608	4/21/2015

## Fiscal Estimate Narratives

DSPS 4/21/2015

LRB Number	<b>15-1560/3</b>	Introduction Number	<b>AB-0163</b>	Estimate Type	<b>Original</b>
<b>Description</b> Elimination of the Department of Safety and Professional Services and the Department of Financial Institutions; elimination of the Educational Approval Board; creation of the Department of Financial Institutions and Professional Standards; transfer of the Veterinary Examining Board to the Department of Agriculture, Trade and Consumer Protection, providing an exemption from emergency rule procedures; requiring the exercise of rule-making authority; and making appropriations					

### Assumptions Used in Arriving at Fiscal Estimate

The proposed legislation will eliminate the Department of Safety and Professional Services (DSPS) and transfer all DSPS functions, funding, and positions to the new Department of Financial Institutions and Professional Standards (DFIPS).

This transfer will have the following implications: Transfer Professional Credentialing Boards and Councils; Transfer Safety and Building Boards and Councils; Transfer Program Assets, Liabilities, Contracts, and Pending Matters to DFIPS.

The Department of Safety and Professional Services submitted its Biennial Budget Request for consideration in September 2014. In that budget, DSPS requested the following:

Total Annual Operating Budget FY 2016: \$52,303,400

Total Annual Operating Budget FY 2017: \$52,324,200

Total Positions FY 2016 (FTE): 262.60

Total Positions FY 2017 (FTE): 262.60

The elimination of DSPS will reduce the Total Annual Operating Budgets (revenue budgets and expense budgets) to an amount to be determined and will reduce the Total Positions for FY 2016 to a number to be determined; and reduce the Total Annual Operating Budget (revenue budgets and expense budgets) and Total Positions for FY 2017 to 0.

The creation of DFIPS will increase the Total Annual Operating Budgets (revenue budgets and expense budgets) and increase the Total Positions for both FY 2016 and FY 2017 for the new agency. The creation of new appropriations will be required. The transfer of cash balances will be required.

A summary of the elements related to this bill and the DSPS budget request include the following: 1) Transfer of the Veterinary Examining Board to the Department of Agriculture, Trade and Consumer Protection; 2) Transfer of the Private Onsite Wastewater Treatment System Regulation to the Department of Natural Resources; 3) the Repeal of the Private Onsite Wastewater Treatment System Grant Program; 4) Four-Year Credential Licensing and Installment Payments; 5) Standard Budget Adjustments; 6) the Lapse Requirement; 7) Information Technology Modernization funding; 8) Prescription Drug Monitoring Program funding; 9) Limited-Term Employee funding; 10) Transfer of positions to the Department of Administration and Department of Tourism; and 11) the Shared Agency Services Pilot Program.

### Long-Range Fiscal Implications

The long-range fiscal implications are unknown at this time.

## Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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**Description**  
 Elimination of the Department of Safety and Professional Services and the Department of Financial Institutions; elimination of the Educational Approval Board; creation of the Department of Financial Institutions and Professional Standards; transfer of the Veterinary Examining Board to the Department of Agriculture, Trade and Consumer Protection, providing an exemption from emergency rule procedures; requiring the exercise of rule-making authority; and making appropriations

**I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):**

The proposed legislation will eliminate the Department of Safety and Professional Services (DSPS) and transfer all DSPS functions, funding, and positions to the new Department of Financial Institutions and Professional Standards (DFIPS). This transfer will have the following implications: Transfer Professional Credentialing Boards and Councils; Transfer Safety and Building Boards and Councils; Transfer Program Assets, Liabilities, Contracts, and Pending Matters to DFIPS. The Department of Safety and Professional Services submitted its Biennial Budget Request for consideration in September 2014. In that budget, DSPS requested the following: Total Annual Operating Budget FY 2016: \$52,303,400 Total Annual Operating Budget FY 2017: \$52,324,200 Total Positions FY 2016 (FTE): 262.60 Total Positions FY 2017 (FTE): 262.60 The elimination of DSPS will reduce the Total Annual Operating Budgets (revenue budgets and expense budgets) to an amount to be determined and will reduce the Total Positions for FY 2016 to a number to be determined; and reduce the Total Annual Operating Budget (revenue budgets and expense budgets) and Total Positions for FY 2017 to 0. The creation of DFIPS will increase the Total Annual Operating Budgets (revenue budgets and expense budgets) and increase the Total Positions for both FY 2016 and FY 2017 for the new agency. The creation of new appropriations will be required. The transfer of cash balances will be required. A summary of the elements related to this bill and the DSPS budget request include the following: 1) Transfer of the Veterinary Examining Board to the Department of Agriculture, Trade and Consumer Protection; 2) Transfer of the Private Onsite Wastewater Treatment System Regulation to the Department of Natural Resources; 3) the Repeal of the Private Onsite Wastewater Treatment System Grant Program; 4) Four-Year Credential Licensing and Installment Payments; 5) Standard Budget Adjustments; 6) the Lapse Requirement; 7) Information Technology Modernization funding; 8) Prescription Drug Monitoring Program funding; 9) Limited-Term Employee funding; 10) Transfer of positions to the Department of Administration and Department of Tourism; and 11) the Shared Agency Services Pilot Program.

II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs

A. State Costs by Category		
State Operations - Salaries and Fringes	\$	\$-21,221,900
(FTE Position Changes)		(-262.6 FTE)
State Operations - Other Costs		-12,343,800
Local Assistance		-18,678,600
Aids to Individuals or Organizations		-59,100
<b>TOTAL State Costs by Category</b>	<b>\$</b>	<b>\$-52,303,400</b>

B. State Costs by Source of Funds		
GPR		-2,409,000
FED		-767,700
PRO/PRS		-49,126,700
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	\$	\$-2,409,000
GPR Earned		
FED		-767,700
PRO/PRS		-49,126,700
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$-52,303,400</b>

**NET ANNUALIZED FISCAL IMPACT**

	State	Local
NET CHANGE IN COSTS	\$-52,303,400	\$
NET CHANGE IN REVENUE	\$-52,303,400	\$

Agency/Prepared By	Authorized Signature	Date
DSPS/ Michelle Bea Beasley (608) 267-1811	Greg Gasper (608) 266-8608	4/21/2015