

January 27, 2015

The Honorable Daniel Hawkins, Chairperson
House Committee on Health and Human Services
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Hawkins:

SUBJECT: Fiscal Note for HB 2123 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2123 is respectfully submitted to your committee.

HB 2123 would enact the Massage Therapist Licensure Act, which would be administered by the State Board of Nursing.

The State Board of Nursing indicates that passage of the bill would increase expenditures by \$182,442, FTE positions by 2.00, and revenue by \$180,000 beginning in FY 2017. The assumptions for the expenditures, FTE positions, and revenue increases are based on the estimated number of massage therapists who would become licensed. Because this would be a new licensing category, the Board would be required to develop rules and regulations during FY 2016, and also make arrangements for additional positions and operating expenses. The table below shows the estimated fiscal effect:

Expenditures

1.00 FTE Sr. Administrative Legal Assistant	\$ 45,668
1.00 FTE RN Senior Investigator	<u>89,679</u>
Subtotal Salaries & Wages	\$126,347
One-Time equipment costs for computers, telephones, form development, furniture, and publications	28,980
Recurring operating expenditures	<u>27,115</u>
Total FY 2017 expenditures:	\$182,442

Beginning in FY 2018, annual expenditures would be reduced to \$153,462.

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Page 2—HB 2123

Revenue

New Applications: 2,400 licenses at \$75 in FY 2017 \$180,000

In subsequent years, the following estimated revenue would be collected in addition to new applications, although the Board is unable to estimate the number of new applications above those licensed in FY 2017:

Renewals: 1,200 licenses at \$60 \$72,000

Initial License Fee: 250 licenses at \$75 \$18,750

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Mary Blubaugh, Board of Nursing