

PRELIMINARY FISCAL NOTES

Appropriations Committee Meeting

April 9, 2014



OFFICE OF FISCAL ANALYSIS

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Below are preliminary fiscal impacts for the bills on today's agenda. These estimates were prepared under a short time frame and could be revised after further analysis. For bills on the agenda with proposed substitutes, the fiscal impact is based on the substitute language.

III. BILLS REFERRED FROM THE HOUSE FLOOR

3. sHB 5113 - An Act Concerning Youth Athletics and Concussions

The bill makes various changes regarding concussion prevention that is not anticipated to result in a fiscal impact as they either (1) narrow the scope of existing law or (2) are a requirement in which the State Department of Education or other identified state agencies has the staff with the expertise to complete the tasks.

4. sHB 5050 - An Act Improving College Completions - refer to fiscal note on file copy 241.

5. HB 5134 - An Act Concerning the Acquisition of Real Property to be Used for School Construction - refer to fiscal note on file copy 42.

6. sHB 5145 - An Act Concerning Various Revisions to the Department of Mental Health and Addiction Services' Statutes - refer to fiscal note on file copy 146.

7. HB 5245 - An Act Requiring Health Insurance Coverage for Fertility Preservation for Cancer Patients - refer to fiscal note on file copy 341.

8. sHB 5290 - An Act Revising Motor Vehicle Laws

A section by section fiscal impact is presented below. The other sections of the bill have no fiscal impact to the state or municipalities because they make technical, clarifying, or conforming changes to current practice or federal regulation.

Section 10 removes the partial year fee for a Commercial Driver's License (CDL) and is anticipated to result in an annual potential revenue loss to the Special Transportation Fund (STF) of \$6,000. This estimate is based on: (1) the cost of the fee at \$17.50 and (2) 348 partial year fee payments in FY 13.

Section 11 allows the Department of Motor Vehicles (DMV) to establish procedures for issuing an expedited motor vehicle driver's license and collect up to \$75 per transaction. This is anticipated to result in a potential revenue gain to the STF of less than \$1,000. Few transactions are anticipated.

Section 13 prohibits DMV from granting or renewing a motor vehicle dealer's license that is delinquent in paying sales tax for any business. This may result in a revenue loss

to the STF in lost registration fees from dealers that have outstanding delinquent taxes. To the extent that this provision results in the payment of delinquent taxes then the state would experience a revenue gain.

Section 14 requires licensed motor vehicle repairers to produce records to DMV within 24 hours. This may result in a potential revenue gain to the STF of less than \$10,000 for increased violations for non-compliance with DMV regulations. It is anticipated few violations will occur. The fee for each violation is \$1,000.

Section 16 eliminates a provision requiring DMV to mail regulation changes to licensed motor vehicle dealers. This is anticipated to result in a potential savings to DMV dependent on the amount of regulations that need to be mailed annually. The cost to mail a regulation to all licensed motor vehicle dealers is approximately \$2,100.

Section 17 requires licensed motor vehicle dealers to produce records within 24 hours. This may result in a potential revenue gain to the STF of less than \$10,000 for increased violations for non-compliance with DMV regulations. It is anticipated few violations will occur. The fee for each violation is \$1,000.

Section 19 makes procedural changes to statute regarding vehicles towed from private property and is anticipated to result in a potential revenue gain to the STF of \$500. It is anticipated that few violations will occur. In FY 13 there were 3 infractions which totaled \$230.

Section 27 requires DMV under certain circumstances to renew a non-commercial license with a passenger endorsement for any person who has been disqualified due to a medical condition. This may result in a revenue gain to the STF of less than \$1,000. It is anticipated few cases will occur.

9. sHB 5296 - An Act Concerning Admissions to the Veterans' Home or to a Hospital - refer to fiscal note on file copy 344.

10. HB 5314 - An Act Concerning Payments on Advances from the federal Unemployment Account - refer to fiscal note on file copy 295.

11. sHB 5345 - An Act Concerning Cooperative Health Care Arrangements - refer to fiscal note on file copy 298.

12. HB 5361 - An Act Concerning a State Authorization Reciprocity Agreement Regarding Distance Learning Programs - refer to fiscal note on file copy 249.

13. sHB 5370 - An Act Implementing the Recommendations of the Program Review and Investigations Committee Concerning Certain Fiscal and Resource-Related Matters Pertaining to State Parks - refer to fiscal note on file copy 205.

14. sHB 5378 - An Act Implementing the Recommendations of the Legislative Program and Review and Investigations Committee Concerning Medicaid-Funded Emergency Department Visits

Sections 1 and 3 through 5 require the DSS, DMHAS and DCF, through their contract with their administrative services organizations (ASO), to provide intensive case management (ICM) services to Medicaid clients, including those with behavioral health needs. ICM is already being utilized in the Medicaid population. To the extent that this bill results in additional clients being served by ICM or results in an impact on the mix of services being utilized by Medicaid clients, there may be savings to the state. As previously stated, a 1% reduction in total annual emergency department expenditures will result in a \$2.3 million savings. The ASO ICM services in the bill are targeted at all Medicaid clients who might benefit from ICM, but particularly high utilizers of emergency departments. The bill requires various reporting and assessment requirements of the ASO which are not anticipated to result in a cost to the state Medicaid program.

Section 2 does not result in a fiscal impact to DSS to include the name of a client's primary care physician on their Medicaid identification card.

15. sHB 5413 - An Act Appropriating Funds for the Public, Educational and Governmental Programming and Education Technology Investment Account and the Clean Energy Finance and Investment Authority - refer to fiscal note on file copy 348.

16. sHB 5451 - An Act Concerning Health Care Pooling - refer to fiscal note on file copy 304.

17. sHB 5495 - An Act Establishing an Accelerated Certificates Program - refer to fiscal note on file copy 261.

18. sHB 5497 An Act Implementing an I-Best Program on a Regional Basis

The bill requires the Department of Labor to geographically expand an existing pilot program using Integrated Basic Education and Skills Training (I-BEST). The bill does not specify whether the regional expansion of I-BEST under the existing pilot program is (1) subject to the 100 participant cap (which is currently in statute), (2) subject to available appropriations, (3) considered a pilot program itself, or (4) required to operate for a specific length of time.

sHB 5030, the FY 15 revised budget, as favorably reported by the Appropriations Committee, includes approximately \$2.5 million available for the I-BEST program through DOL in FY 15, including \$900,000 to expand the program to cover unemployed clients. To the extent that this bill results in additional participants who are not included in the \$2.5 million appropriation mentioned above, there would be an additional cost to

DOL, which would be equal to the number of additional participants, multiplied by the average cost per participant of \$5,375.

19. sHB 5500- An Act Concerning Provider Audits under the Medicaid Program – refer to fiscal note on file copy 355.

20. sHB 5517 - An Act Concerning a Study of Connecticut Manufacturing Workforce Needs

The bill has no fiscal impact by requiring the Department of Economic and Community Development to survey manufacturing businesses on their workforce training needs. It is anticipated that the agency would collaborate with manufacturing associations, chambers of commerce, and other relevant organizations to survey a sampling of the manufacturing businesses in the state for this purpose.

21. sHB 5576 - An Act Concerning Funding for Brownfield Remediation and Development – refer to fiscal note on file copy 361.