Shawn Sullivan, Director of the Budget



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Sam Brownback, Governor

February 13, 2017

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 2195 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2195 is respectfully submitted to your committee.

HB 2195 would transfer all powers, duties and functions of the Board of Examiners in Fitting and Dispensing of Hearing Instruments to the Department of Aging and Disability Services. The transfer would also include transferring all employees of the Board. The Board would serve in an advising capacity to the Secretary. The bill would also remove the requirement of transferring 10.0 percent of all fees collected and deposited into the Hearing Instrument Board Fee Fund to the State General Fund.

The Department of Aging and Disability Services indicates that HB 2195 would require one time expenditures totaling \$15,000 from the State General Fund for costs associated with merging the Board's databases with Department's databases. The Department also indicates that ongoing expenditures associated with HB 2195 would total \$300 from the State General Fund for annual mailing costs. The Department does not estimate any substantial savings from merging the Board with the Department, as the bill only transfers the Board's powers and duties and does not make other changes to operations.

The Department indicates that, under current law, Audiologists must be licensed with the Department to practice audiology and they must also be licensed with the Board to dispense hearing instruments; each license has associated fees. Moving the Board to the Department would require Audiologists to pay fees to the Department twice for two separate licenses; audiology licenses are renewed every other year and hearing aid dispensing licenses are renewed annually. HB 2195 does not remove the dual licensing requirements.

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The Department indicates that there are approximately 285 licensed Hearing Aid Dispensers in the state. Fees associated with becoming licensed or renewing a license, as prescribed in HB 2195, would be capped at \$150. Assuming maximum fees are charged, the Division of the Budget estimates that enactment of HB 2195 would result in decreasing transfers to the State General Fund by \$4,275 each fiscal year as a result of the bill removing the requirement to transfer 10.0 percent of fees to the State General Fund. Any fiscal effect associated with HB 2195 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

Shawn Sullivan, Director of the Budget

cc: Cody Gwaltney, Aging & Disability Services Zack Miller, Hearing Instruments Examiners