

**FINAL
FISCAL NOTE**

Drafting Number: LLS 12-0078

Date: June 7, 2012

Prime Sponsor(s): Rep. Todd
Sen. Boyd

Bill Status: Postponed Indefinitely

Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING THE REGULATION OF MUSIC THERAPISTS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
General Fund - Fines		< \$5,000
Cash Funds		
Division of Registrations Cash Fund*	\$35,995	\$36,934
State Expenditures		
Cash Funds		
Division of Registrations Cash Fund	\$35,734	\$29,879
FTE Position Change	0.3 FTE	0.5 FTE
Effective Date: The bill was postponed indefinitely by the House State, Veterans & Military Affairs Committee on February 22, 2012.		
Appropriation Summary for FY 2012-2013: See State Appropriations section.		
Local Government Impact: See Local Government Impact section		

* Fee revenue exceeds state expenditures in order to pay for costs noted in the Expenditures Not Included section of this fiscal note.

Summary of Legislation

A music therapist uses music interventions to assist individuals with personal goals. This bill requires individuals to register with the director of the Division of Registrations (division) in the Department of Regulatory Agencies (DORA), in order to practice as a music therapist. Only individuals properly registered may use the title "registered music therapist" or otherwise represent themselves as such. In addition, the bill:

- defines music therapists and the scope of their work;
- specifies educational background and examination requirements;
- requires the division to adopt necessary rules;
- provides the DORA with the ability to set fees and schedule renewals of registrations;
- establishes the grounds for disciplinary proceedings;
- authorizes the director of the division to take disciplinary actions; and
- establishes a class 2 misdemeanor for conviction of the first offense of practicing music therapy without an active registration, and a class 1 misdemeanor for subsequent convictions.

The registration program is repealed September 1, 2017, following a sunset review.

State Revenue

In FY 2012-13, this bill will increase revenue from fees by an estimated \$35,995. In FY 2013-14, new fee revenue totals \$36,934. Fees are credited to the Division of Registrations Cash Fund.

Fee impact on registered music therapists . Section 2-2-322, C.R.S., requires legislative service agency review of measures that create or increase any fee collected by a state agency. Fee calculations are set administratively by the DORA based on the cash fund balance, estimated program costs, and the estimated number of registrations. This fiscal analysis is based on annual registrations; however, the actual renewal schedule is left to the discretion of the division. During annual fee setting for the program, the division will determine if renewals can be completed every two years based on the fund balance and fee amounts. Table 1 displays the fee impact of this bill.

Table 1. Fee Impact on Registered Music Therapists			
Type of Fee	Proposed Fee	Number Affected	Total Fee Impact
Initial Registration FY 2012-13	\$313	115	\$35,995
Renewal Registration FY 2013-14	313	3	939
Initial Registration FY 2013-14	313	115	35,995
FY 2012-13			\$35,995
FY 2013-14			\$36,934
2 YEAR TOTAL			\$72,929

Fines. The bill may increase state revenue from fines beginning in FY 2013-14, although less than \$5,000 in new state revenue is expected per year. According to Section 18-1.3-501, C.R.S., the penalty for a class 2 misdemeanor is 3 to 12 months imprisonment in a county jail, a fine of \$250 to \$1,000, or both. The penalty for a class 1 misdemeanor is 6 to 18 months imprisonment in a county jail, a fine of \$500 to \$5,000, or both. Fine revenue that is not otherwise appropriated is deposited into the Fines Collection Cash Fund.

State Expenditures

In FY 2012-13, this bill will result in total costs of \$35,734 and 0.3 FTE from the Division of Registrations Cash Fund in the DORA. In FY 2013-14, total costs are \$29,879 and 0.5 FTE. Major cost components are discussed below and summarized in Table 2.

The division must begin registering music therapists no later than July 1, 2013. The division requires staff beginning in FY 2012-13 to implement the program, research rules, provide general direction and oversight, manage registration and renewal data, provide outreach to professionals in the community, issue certificates of registration, and investigate and settle complaints. The division must also research and approve a nationally recognized qualifying exam for music therapists. The Department of Law will provide 150 hours of legal assistance to the division to interpret the act, promulgate rules, and assist in the resolution of disciplinary issues. Legal services are provided at a blended rate of \$75.71 per hour.

Table 2. Total Expenditures Under HB 12-1137		
Cost Components	FY 2012-13	FY 2013-14
Personal Services	\$14,197	\$23,663
FTE	0.3	0.5
Operating Expenses and Capital Outlay	2,827	475
Travel, Outreach, & Printing	169	-
National Assessment Evaluation	6,000	-
Information Technology	1,184	-
Legal Services	11,357	5,678
TOTAL	\$35,734	\$29,879

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 3.

Table 3. Expenditures Not Included Under HB 12-1137*		
Cost Components	FY 2012-13	FY 2013-14
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$1,824	\$3,063
Supplemental Employee Retirement Payments	757	1,452
TOTAL	\$2,581	\$4,515

**More information is available at: <http://colorado.gov/fiscalnotes>*

Local Government Impact

The penalty for misdemeanors includes fines, imprisonment in a county jail, or both. Because the courts have the discretion of incarceration or imposing a fine, the impact at the local level cannot be determined. The cost to house an offender in county jails varies from \$45 to \$50 per day in smaller rural jails to \$62 to \$65 per day for larger Denver-metro area jails. For the current fiscal year, the state reimburses county jails a daily rate of \$50.44 to house state inmates. It is assumed that the impact of this new misdemeanor will be minimal and will not create the need for additional county jail space.

State Appropriations

In FY 2012-13, the bill requires an appropriation of \$35,734 and 0.3 FTE from the Division of Registrations Cash fund to the Department of Regulatory Agencies. Of this amount, the Department of Law requires \$11,357 in reappropriated funds, and the Governor's Office of Information Technology requires \$1,184 in reappropriated funds.

Departments Contacted

Law Regulatory Agencies