

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 240—Public Service Commission
Chapter 31—Missouri Universal Service Fund**

(1) of the following numbers: Consumer Services Hotline 1-800-392-4211, or TDD Hotline 1-800-829-7541.

PROPOSED AMENDMENT

4 CSR 240-31.060 Assessments for MoUSF Funding. The commission is amending section (1), and subsections (5)(B) and (6)(A).

PURPOSE: The commission is amending RSMo references to the year 2000 statutes and changing section (5) and (6) to indicate which carriers are exempt from the requirements of the sections pursuant to the Commission's Report and Order Establishing Low-Income/Disable Fund in Case No. TO-98-329.

(1) All telecommunications companies providing telecommunications service as defined in section 386.020(53), RSMo [Supp. 1997] 2000 in Missouri will be subject to assessment for contributions to the Missouri Universal Service Fund (MoUSF).

(5) Determination of Assessments.

(B) The fund administrator shall submit to the board its determination of the funding requirements, along with its determination of the revenues upon which the assessment shall be made, and the percentage assessment to be made upon the appropriate revenues of each telecommunications company **in the state except payphone providers, shared tenant service providers, and carriers with annual net intrastate jurisdictional revenues of less than twenty-four thousand dollars (\$24,000) annually.**

(6) Notices of Assessments.

(A) Notices of assessment shall be sent by the fund administrator to every telecommunications company *[notifying them of the assessment and the payments to be made]* **in the state except payphone providers, shared tenant service providers, and carriers with annual net intrastate jurisdictional revenues of less than twenty-four thousand dollars (\$24,000) annually. Such notices will inform the company of the assessment and the payment to be made.**

AUTHORITY: sections 392.200.2, [and] 392.248], RSMo Supp. 1997] and 392.470.1, RSMo [1994] 2000. Original rule filed Aug. 15, 1997, effective April 30, 1998. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS AND NOTICE OF PUBLIC HEARING: *Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Public Service Commission, Dale Hardy Roberts, Secretary, PO Box 360, Jefferson City, MO 65102, (573) 751-3234. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. Comments should refer to Case No. TX-2002-1026. If comments are submitted via a paper filing, an original and eight (8) copies of the comments are required. Comments may also be submitted via a filing using the commission's electronic filing and information system at <<http://www.psc.state.mo.us/efis.asp>>. A public hearing is scheduled for January 22, 2003 at 10:00 a.m. in the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, for interested persons to appear and respond to commission questions. Any persons with special needs as addressed by the Americans with Disabilities Act should contact the Missouri Public Service Commission at least ten (10) days prior to the hearing at one*

**FISCAL NOTE
PRIVATE ENTITY COST**

I. RULE NUMBER

Title: Missouri Department of Economic Development
 Division: Missouri Public Service Commission
 Chapter: Missouri Universal Service Fund
 Type of Rulemaking: Revision
 Rule Number and Name: 4 CSR 240-31.060 Assessments for MoUSF Funding

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification* by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
3	Class A Local Telephone Companies	\$0
39	Class B Local Telephone Companies	\$0
71	Class C Local Telephone Companies	\$0
551	Class Interexchange Companies	\$0
	All entities	\$0

* Class A Telephone Companies are incumbent local telephone companies with more than \$100,000,000 annual revenues system wide; Class B Telephone Companies are incumbent local telephone companies with \$100,000,000 annual revenues or less system wide; Class C Local Telephone Companies are all other companies certificated to provide basic local exchange telecommunications services, Class Interexchange Companies are long distance providers.

III. WORKSHEET

1. The proposed rule applies to all classes of telecommunications companies certificated by the Missouri Public Service Commission, and was developed by the Missouri Universal Service Fund Technical Committee.
2. The estimated number of entities affected by the proposed rule reflects the total number of companies certificated within Missouri that could provide service if tariffs are amended as outlined in the proposed rule.

IV. ASSUMPTIONS

1. The life of the rule is estimated to be five years.
2. Fiscal year 2002 dollars were used to estimate costs. No adjustment for inflation is applied.
3. Estimates assume no sudden change in technology that would influence costs.
4. Affected entities are assumed to be in compliance with all other Missouri Public Service Commission rules and regulations.
5. The universe of entities is based upon data contained within the Missouri Universal Service Fund Model as presented before the Commission in Case No. TO-98-329 and is assumed to remain constant.
6. The cost of administrating the fund and public outreach programs will be approximately \$500,000. The estimate will be paid directly from the money deposited into the universal service fund. Therefore, to calculate the fiscal impact to entities affected by the rule, the cost of administrating the fund and public outreach programs is estimated at \$500 or less.
7. No company participating in the Missouri Universal Service Fund Technical Committee Meetings specifically identified any burdensome company specific implementation costs for the Missouri Universal Service Fund and thus none are assumed in this fiscal note. The estimated impacts do not include any costs for a verification or fraud detection process; the fund administrator and the MoUSF Board will finalize such a process.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 240—Public Service Commission
Chapter 31—Missouri Universal Service Fund**

PROPOSED RULE

4 CSR 240-31.065 Collection of MoUSF Surcharge from End-User Subscribers

PURPOSE: This rule establishes the procedures for the collection of the MoUSF surcharge by assessed telecommunications carriers.

(1) All applicable carriers shall:

(A) Place on each retail end-user customer's bill, a surcharge equal to the assessment ordered by the commission;

(B) The surcharge shall appear as a separate line item detailed as "Missouri Universal Service Fund;"

(C) The surcharge shall be applied to each customer's total intrastate retail charges, less taxes; and

(D) No carrier may recover its Universal Service Fund (USF) assessment in any way other than through this surcharge.

AUTHORITY: sections 392.200.2, 392.248, and 392.470 RSMo 2000. Original rule filed Oct. 30, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

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**FISCAL NOTE
 PRIVATE ENTITY COST**

I. RULE NUMBER

Title: Missouri Department of Economic Development
 Division: Missouri Public Service Commission
 Chapter: Missouri Universal Service Fund
 Type of Rulemaking: New Rule
 Rule Number and Name: 4 CSR 240-31.065 Collection of MoUSF Surcharge from End-User Subscribers

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification* by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
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	All entities	\$0

* Class A Telephone Companies are incumbent local telephone companies with more than \$100,000,000 annual revenues system wide; Class B Telephone Companies are incumbent local telephone companies with \$100,000,000 annual revenues or less system wide; Class C Local Telephone Companies are all other companies certificated to provide basic local exchange telecommunications services, Class Interexchange Companies are long distance providers.

III. WORKSHEET

1. The proposed rule applies to all classes of telecommunications companies certificated by the Missouri Public Service Commission, and was developed by the Missouri Universal Service Fund Technical Committee.
2. The estimated number of entities affected by the proposed rule reflects the total number of companies certificated within Missouri that could provide service if tariffs are amended as outlined in the proposed rule.

IV. ASSUMPTIONS

1. The life of the rule is estimated to be five years.
2. Fiscal year 2002 dollars were used to estimate costs. No adjustment for inflation is applied.
3. Estimates assume no sudden change in technology that would influence costs.
4. Affected entities are assumed to be in compliance with all other Missouri Public Service Commission rules and regulations.
5. The universe of entities is based upon data contained within the Missouri Universal Service Fund Model as presented before the Commission in Case No. TO-98-329 and is assumed to remain constant.

Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 240—Public Service Commission
Chapter 33—Service and Billing Practices for
Telecommunications Companies

PROPOSED AMENDMENT

4 CSR 240-33.070 Discontinuance of Service to Residential Customers. The commission is amending sections (2) and (3).

PURPOSE: The commission is changing this rule to note that non-payment of the Missouri USF surcharge shall be considered non-payment of basic local telecommunications services for the purposes of discontinuing service to residential customers.

(2) Basic local telecommunications service may not be discontinued for customer nonpayment of a delinquent charge for other than basic local telecommunications services. The failure to pay charges not subject to commission jurisdiction shall not constitute cause for a discontinuance of basic local telecommunication service. **Nonpayment of the Missouri Universal Service Fund (USF) surcharge shall be considered nonpayment of basic local telecommunications services for the purposes of this rule.**

(3) A telecommunications company may place global toll blocking and eliminate any optional, non-basic calling features and functions for customer nonpayment of delinquent charges for other than basic local telecommunications service.

AUTHORITY: sections 386.040, [RSMo 1994] 386.250 and 392.200, RSMo [Supp. 1998] 2000. Original rule filed Jan. 14, 1977, effective Oct. 1, 1977. Amended: Filed July 5, 1983, effective Feb. 11, 1984. Emergency amendment filed Dec. 20, 1983, effective Jan. 1, 1984, expired Feb. 11, 1984. Rescinded and readopted: Filed Aug. 26, 1999, effective April 30, 2000. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

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Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 1—General Rules

PROPOSED AMENDMENT

4 CSR 263-1.010 Definitions. The committee is proposing to amend subsections (1)(C), (1)(D), (1)(F), and (1)(H) and add subsections (1)(L) and (1)(M).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689, RSMo pursuant to House Bill 567 of the 91st General Assembly.

(1) The words defined in sections 337.600–337.633, RSMo shall have the same meaning when used in these rules, unless the context plainly requires a different meaning.

(C) “Applicant” as used herein shall refer to an individual submitting an application for any specific step in the licensure process or an individual who has submitted an application for registration of supervision, temporary permit and/or a provisional clinical social work license, **temporary permit and/or a provisional baccalaureate social work license**; and it shall refer to an individual who has submitted an application for the Licensed Clinical Social Work license[.], **or the Licensed Baccalaureate Social Work license.**

(D) “Registrant” shall mean an individual who has submitted an application for registration of supervision or an individual whose application for registration of supervision has been approved by the committee, who has completed the educational requirements for licensure as a clinical social worker **or as a baccalaureate social worker**, and who is engaged in a program of supervised [clinical] social work experience as described in section 337.615, RSMo, in an agency, organization or private setting, but who has not met the other requirements for licensure.

(F) “Temporary permit” authorizes an applicant for reciprocity to practice clinical social work **or baccalaureate level social work** in Missouri pending licensure.

(H) “Client” means any individual, couple, family, group, organization or community for whom the practice of [clinical] licensed social work, as defined in sections 337.600(6), **337.653.2(3) and (8), 337.653.4(2), 337.686(1) and (6) and 337.689**, RSMo, is provided.

(L) “Licensed social worker” any person who is a licensed clinical social worker **or a licensed baccalaureate social worker.**

(M) “Licensed social work” is any generalist or clinical practice by a licensed social worker for a client.

AUTHORITY: sections 337.065, 337.600 and 337.627, RSMo [Supp. 1998] 2000 and 337.674, RSMo Supp. 2001. Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Amended: Filed Dec. 2, 1991, effective June 25, 1992. Amended: Filed Jan. 11, 1995, effective June 30, 1995. Rescinded and readopted: Filed Dec. 30, 1998, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 263—State Committee for Social Workers
Chapter 1—General Rules**

PROPOSED AMENDMENT

4 CSR 263-1.015 General Organization. The committee is proposing to amend section (1).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689 pursuant to House Bill 567 of the 91st General Assembly.

(1) The purpose of the State Committee for Social Workers (hereinafter committee) is to regulate the practice of [clinical] licensed social work as it involves the health, safety and welfare of the inhabitants of this state; to protect the inhabitants of this state from harm caused by dangerous, dishonest, incompetent, or the unlawful practice of [clinical] licensed social work and to implement and sustain a system for the examination and regulation of licensed [clinical] social workers, provisional licensed [clinical] social workers, temporary permit holders, and individuals receiving supervision for licensure.

AUTHORITY: sections 337.627, RSMo 2000 and 337.622 and 337.677, RSMo Supp. [1998] 2001. Original rule filed Dec. 30, 1998, effective July 30, 1999. Amended: Filed Nov. 13, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 263—State Committee for Social Workers
Chapter 1—General Rules**

PROPOSED AMENDMENT

4 CSR 263-1.025 Complaint Handling and Disposition. The committee is proposing to amend sections (1) and (7).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689 pursuant to House Bill 567 of the 91st General Assembly.

(1) The Division of Professional Registration, in coordination with the State Committee for Social Workers, will receive and process each complaint made against any licensed [clinical] social worker, provisional licensed [clinical] social worker, temporary permit holder, registrant, applicant, individual or entity, in which the complaint alleges certain acts or practices may constitute one (1) or more violations of the provisions of sections 337.600–[337.633] 337.689, RSMo [Supp. 1997], or the administrative rules. No member of the State Committee for Social Workers may file a complaint with the division or committee while holding that office unless that member is excused from further committee deliberation or activity concerning the matters alleged within that complaint. Any division staff

member or the committee may file a complaint pursuant to this rule in the same manner as any member of the public.

(7) The division interprets this rule, which is required by law, to exist for the benefit of those members of the public who submit complaints to the committee. This rule is not deemed to protect or inure to the benefit of those licensees or other persons against whom the committee had instituted or may institute administrative or judicial proceedings concerning possible violations of the provisions of sections 337.600–[337.633] 337.689, RSMo [Supp. 1997], or any rules promulgated by the committee.

AUTHORITY: sections 337.627, RSMo 2000 and [sections] 337.677 and 620.010.15(6), RSMo Supp. [1998] 2001. Original rule filed Jan. 20, 1999, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 263—State Committee for Social Workers
Chapter 1—General Rules**

PROPOSED AMENDMENT

4 CSR 263-1.035 Fees. The committee is proposing to amend section (1) of the rule.

PURPOSE: The purpose of this amendment is to implement changes made to sections 331.612–337.689 pursuant to House Bill 567 of the 91st General Assembly. This amendment also deletes subsections (1)(I)–(1)(K) pursuant to section 610.026, which states fees for copying records shall not exceed the actual cost of document search and duplication.

(1) The following fees are established by the committee and are payable in the form of a cashier's check, personal check or money order:

- | | |
|---|----------|
| (A) Application/Initial License Fee as a Licensed Clinical Social Worker | |
| 1. October–January (two (2)-year license) | \$200.00 |
| 2. February–May (one and one-half (1 1/2)-year license) | \$150.00 |
| 3. June–September (one (1)-year license) | \$100.00 |
| (B) Registration of Supervision Fee as a Licensed Clinical Social Worker | \$ 25.00 |
| (This is an initial one-time fee) | |
| (C) Two (2)-Year License Renewal Fee as a Licensed Clinical Social Worker | \$100.00 |
| (D) Application/Initial License Fee as a Baccalaureate Social Worker | |
| 1. October–January (two (2)-year license) | \$200.00 |
| 2. February–May (one and one-half (1 1/2)-year license) | \$150.00 |
| 3. June–September (one (1)-year license) | \$100.00 |

(E) Registration of Supervision fee as a Licensed Baccalaureate Social Worker (This is an initial one-time fee)	\$ 25.00
(F) Two (2)-Year License Renewal Fee as a Licensed Baccalaureate Social Worker [(D)] [Late Renewal Penalty Fee (One (1) day to sixty (60) days from date of expiration)]	\$100.00 \$25.00/
(G) Delinquent Fee for Failure to Obtain a License or Timely Renew a License [(E)](H) Restoration of a Lapsed License Fee (Sixty-one (61) days to two (2) years from date of expiration— renewal fee plus \$100.00 delinquent)	\$100.00 \$200.00 \$100.00
[(F)](I) Reciprocity Application Fee	\$225.00
[(G)](J) Wall-Hanging Replacement Fee	\$ 5.00
[(H) Computer Printout Fee (per page)	\$.50
(I) Copy Fee (per page)	\$.50
(J) Research Fee (per hour)	\$35.00/
(K) Insufficient Funds Check Charge Fee [/\$50.00]	\$ 25.00

AUTHORITY: sections 337.612 and 337.677, RSMo Supp. 2001 and 337.627, RSMo [Supp. 1998] 2000. Original rule filed Jan. 20, 1999, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.020 Educational Requirements for Licensed Clinical Social Workers. The committee is proposing to amend and the title of the rule.

PURPOSE: This amendment changes the title of the rule.

AUTHORITY: sections 337.612[,] and 337.615, RSMo Supp. 2001 and 337.627, RSMo [Supp. 1998] 2000. Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Amended: Filed Jan. 11, 1995, effective June 30, 1995. Rescinded: Filed Dec. 30, 1998, effective July 30, 1999. Readopted: Filed Jan. 26, 1999, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

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**Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED RULE

4 CSR 263-2.022 Education Requirements for Licensed Baccalaureate Social Workers

PURPOSE: This rule defines the educational requirements for an applicant for baccalaureate level social work licensure, provisional baccalaureate level social work licensure, and registration of supervision and reciprocity.

(1) An applicant for registration of supervision, provisional baccalaureate social work license or baccalaureate social work license, must have a baccalaureate degree from an accredited social work degree program approved by the council on social work education.

(2) Verification of the degree is required by means of an official transcript sent directly to the committee by the educational institution.

AUTHORITY: sections 337.665 and 337.677.1, RSMo Supp. 2001. Original rule filed Oct. 30, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

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**Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.030 Supervised [Clinical] Licensed Social Work Experience. The committee is proposing to amend the title, original purpose statement and sections (1) and (2), subsections (2)(A) and (2)(B) and section (3).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689, RSMo pursuant to House Bill 567 of the 91st General Assembly.

PURPOSE: This rule defines supervised [clinical] licensed social work experience and sets out the supervised experience requirements for licensed clinical social workers and licensed baccalaureate social workers.

(1) [The phrase "supervised clinical social work experience" acceptable to the committee as used in section 337.615(2), RSMo shall mean the practice of clinical social work as defined in section 337.600(6), RSMo beginning after the

satisfactory completion of the educational requirements set forth in the rules promulgated by the committee and obtained under the supervision of an acceptable supervisor as set forth in the rules promulgated by the committee.] The supervisor must have met the requirements for an acceptable supervisor at the time the supervision was performed. **Supervision of the applicant for licensure shall not begin, and will only be acceptable to the committee, after the satisfactory completion of the educational requirements as set forth in the rules promulgated by the committee.**

(2) Acceptable supervised *[clinical]* licensed social work experience *[is paid employment, not volunteer service, and]* has the following characteristics:

(A) A minimum of *[one (1) hour per]* **two (2) hours every two (2) weeks** of individual face-to-face supervision by the supervisor at the rate of no fewer than forty-eight (48) weeks per calendar year. However, individual face-to-face supervision may be consolidated for up to four (4) weeks for a total of four (4) hours of individual face-to-face supervision per four (4)-week period. These hours shall be included in the total number of supervised hours required in subsection (2)(B). *[Group supervision is not acceptable for meeting the requirements of this regulation;]* **Fifty percent (50%) of supervision may be group supervision. For the purpose of this rule, group supervision may consist of at least three (3), and no more than six (6) supervisees. The use of electronic communications is acceptable for meeting supervision requirements of this rule only if the ethical standards for confidentiality are maintained, and communication is verbally and visually interactive between the supervisor and the supervisee;**

(C) The practice of *[clinical]* social work of the supervisee shall be performed under the oversight, guidance, control and full professional responsibility of the supervisor, **pre-approved** by the committee, in compliance with all laws and regulations relating to the practice of *[clinical]* social work.

(3) Upon completion of twenty-four (24) months and three thousand (3,000) hours of supervised *[clinical]* social work experience, an application for licensure must be submitted pursuant to the rules promulgated by the committee. All applicants for licensure must remain under approved supervision until the license is approved by the committee.

AUTHORITY: sections 337.600 and 337.627, **RSMo 2000 and 337.612, 337.615, and 337.677, RSMo Supp. [1998] 2001.** Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Amended: Filed Dec. 2, 1991, effective May 14, 1992. Amended: Filed March 1, 1994, effective Aug. 28, 1994. Amended: Filed Jan. 11, 1995, effective June 30, 1995. Rescinded: Filed Dec. 30, 1998, effective July 30, 1999. Readopted: Filed Jan. 20, 1999, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

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Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements

PROPOSED AMENDMENT

4 CSR 263-2.031 Acceptable Supervisors and Supervisor Responsibilities. The committee is proposing to amend section (1), subsection (1)(B) and (1)(D), section (2), and subsection (2)(G), add new language in subsections (2)(H)–(2)(K), and amend sections (3) and (4).

PURPOSE: *The purpose of this amendment is to implement changes made to sections 337.612–337.689, RSMo pursuant to House Bill 567 of the 91st General Assembly.*

(1) An acceptable supervisor **for clinical social worker licensure** is a Missouri licensed clinical social worker or licensed clinical social worker from another state whose licensure laws, as determined by the committee, are equivalent to Missouri. **An acceptable supervisor for baccalaureate social worker licensure is a Missouri licensed clinical social worker or licensed clinical social worker from another state, or a Missouri licensed baccalaureate social worker or licensed baccalaureate social worker from another state, whose licensure laws, as determined by the committee, are equivalent to Missouri.** The acceptable supervisor cannot be a relative of the supervisee.

(B) A licensed clinical social worker or **licensed baccalaureate social worker** whose license has been subject to probation, suspension or revocation may be prohibited from providing supervised clinical social work experience in Missouri. The licensed *[clinical]* social worker shall not supervise during the period the license is under discipline.

(D) **A licensed clinical social worker, or a licensed baccalaureate social worker holding an equivalent license in another state may supervise Missouri provisional licensed social workers, registrants and applicants for baccalaureate licensure in that state but may not do so in the state of Missouri.**

(2) The practice of *[clinical]* social work of the supervisee shall be performed under the supervisor's control, oversight, guidance and full professional responsibility. This shall include **all applicable areas of practice including but not limited to:**

(F) Ongoing evaluation and modification of the supervisee's workload as necessary; *[and]*

(G) A minimum of *[one (1) hour per]* **two (2) hours every two weeks** of individual face-to-face supervision by the supervisor at the rate of no fewer than forty-eight (48) weeks per calendar year. However, individual face-to-face supervision may be consolidated for up to four (4) weeks for a total of four (4) hours of individual face-to-face supervision per four (4)-week period. These hours shall be included in the total number of supervised hours required as set forth in the rules promulgated by the committee. *[Group supervision is not acceptable for meeting the requirements of this regulation.]* **Fifty percent (50%) of supervision may be group supervision. For the purpose of this rule, group supervision may consist of at least three (3), and no more than six (6), supervisees. The use of electronic communications is acceptable for meeting supervision requirements of this rule only if the ethical standards for confidentiality are maintained, and the communication is verbally and visually interactive between the supervisor and the supervisee;**

(H) **A contract will be negotiated by supervisor and supervisee and a copy furnished to the Missouri State Committee for Social Workers within thirty (30) days of the beginning of supervision. Should the contract be terminated before completion of the minimum number of hours required, the supervisee is responsible**

for negotiating a new contract and obtaining all evaluation and termination forms required to document prior supervision;

(I) Such a contract shall not be valid if the supervisor and supervisee have a relationship that could affect the employment or benefits of the supervisor, and the relationship could, in any way, bias or compromise the supervisor's evaluation of the supervisee;

(J) When the proposed supervisor is not a staff member of the supervisee's agency, social work ethics demand that the proposed supervisor insure that the agency administration (or its representative) is in accord with the arrangements for supervision by a qualified licensed social worker supervisor. This is essential whether these arrangements are made by the agency or the supervisee and regardless of whether the agency contributes to financial compensation of the supervisor. The supervisor is responsible for securing agreement from the agency administration as to the purpose and content of the desired supervision and the supervisor's specific role, responsibilities and limitations. The supervisor is also responsible for learning agency functions and policies so that any supervisory suggestions are constructive and realistic within agency purposes and resources; and

(K) If supervision is terminated by either party, the supervisor is responsible for notifying the committee and submitting a termination form to the committee. Such termination form must be received by the Missouri State Committee for Social Workers within fourteen (14) days of termination.

(3) Upon completion of the supervised experience, the supervisor shall complete an Attestation of Supervision Form, provided by the committee, attesting to the supervisee's performance and level of compliance with the requirements for supervised [clinical] social work experience.

(4) A licensed [clinical] social worker assuming the role of supervisor may employ the supervisee in the supervisor's private practice setting. In those instances, the supervisor may bill clients for services rendered by the supervisee but under no circumstances shall the supervisee bill the clients directly for services rendered by the supervisee. The professional setting shall not include private practice in which the supervisee operates, manages or has an ownership interest in the private practice.

AUTHORITY: sections 337.600 and 337.627, RSMo 2000 and 337.612, 337.615, 337.665 and 337.677, RSMo Supp. [1998] 2001. Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Amended: Filed Dec. 2, 1991, effective May 14, 1992. Emergency amendment filed March 25, 1992, effective April 4, 1992, expired Aug. 1, 1992. Amended: Filed March 25, 1992, effective Sept. 6, 1992. Amended: Filed March 1, 1994, effective Aug. 28, 1994. Amended: Filed Jan. 11, 1995, effective June 30, 1995. Rescinded: Filed Dec. 30, 1998, effective July 30, 1999. Readopted: Filed Jan. 20, 1999, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.032 Registration of Supervised [Clinical] Social Work Experience. The committee is proposing to amend the title, section (1), subsection (3)(A), and sections (4), (8) and (9).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689, RSMo pursuant to House Bill 567 of the 91st General Assembly.

(1) Supervised [clinical] social work experience [should] shall be registered for approval by the committee. This will ensure that the supervision is acceptable to the committee prior to applying for licensure.

(3) The applicant for registration of supervision shall—
(A) Have an official transcript of his/her [graduate] social work education sent directly from the educational institution(s) to the committee;

(4) The applicant for registration of supervision shall provide [clinical] social work [as defined in section 337.600(1), RSMo,] under the order, control, oversight, guidance, and full professional responsibility of the approved registered supervisor at the setting(s) approved by the committee.

(8) Supervised [clinical] social work experience of the supervisee in an exempt setting (any agency or department of Missouri) shall meet the requirements as set forth in the rules promulgated by the committee.

(9) Approval of the proposed [clinical] social work experience and/or the proposed supervisor shall be withdrawn if circumstances change so that the experience, supervisor, or both, do not qualify as supervised [clinical] social work experience as that term is defined in the rules promulgated by the committee.

AUTHORITY: sections 337.600 and 337.627, RSMo 2000 and 337.612, 337.615, 337.665 and 337.677, RSMo Supp. [1998] 2001. Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Amended: Filed Jan. 11, 1995, effective June 30, 1995. Rescinded: Filed Dec. 30, 1998, effective July 30, 1999. Readopted: Filed Jan. 20, 1999, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 20—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.045 Provisional Licensed Clinical Social Worker. The committee is proposing to amend subsection (3)(D) and section (7).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689, RSMo pursuant to House Bill 567 of the 91st General Assembly.

(3) The following documents must be on file for an application for provisional clinical social work licensure to be considered complete and officially filed:

(D) Verification of a passing score, as determined by the committee, on [one (1) of] the [following] **clinical** examination/s] administered by the [American] Association of [State] Social Work Boards [(AASSWB):] (ASWB).

[1. Advanced examination; or]

[2. Clinical examination.]

Verification of score(s) must be sent directly to the committee office by the [AASSWB] ASWB; and

(7) Provisional licensed clinical social workers shall report any change of supervisor, setting, or both in writing on a new Registration of Supervision form provided by committee. There is no fee for updating a change of supervision and/or setting. The committee shall notify both the provisional licensed clinical social worker and registered supervisor, in writing, of the committee's approval or refusal of the registration of supervision. [Upon approval, a new provisional clinical social work license will be issued.]

AUTHORITY: sections 337.600, 337.627 and 337.630, RSMo 2000 and 337.612[,], and 337.615, RSMo Supp. [1998] 2001. Original rule filed Dec. 30, 1998, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 263—State Committee for Social Workers Chapter 2—Licensure Requirements

PROPOSED RULE

4 CSR 263-2.047 Provisional Licensed Baccalaureate Social Worker

PURPOSE: This rule outlines the requirements for provisional licensed baccalaureate social workers.

(1) Application for provisional baccalaureate social work licensure shall be made on the forms provided by the committee. Application forms shall be obtained from the State Committee for Social Workers, PO Box 1335, Jefferson City, MO 65102.

(2) An application for licensure as a provisional baccalaureate social worker is not considered officially filed with the committee until it has been determined by the committee or division staff to be com-

plete and the application is submitted on the form(s) provided by the committee. The application must be typewritten or printed legibly in black ink, signed, and notarized.

(3) The following documents must be on file for an application for provisional baccalaureate social work licensure to be considered complete and officially filed:

(A) Completed application;

(B) Official transcript(s) sent directly from the educational institution(s);

(C) Completed Registration of Supervision form provided by the committee;

(D) Verification of a passing score, as determined by the committee, on the basic or higher examination, administered by the Association of Social Work Boards (ASWB). Verification of score(s) must be sent directly to the committee office by the ASWB; and

(E) If an applicant for provisional baccalaureate social work licensure answers "yes" to any question in the application which relates to possible grounds for denial of licensure under section 337.680, RSMo, he/she shall submit a sworn affidavit setting forth in detail the facts that explain the answer and shall submit copies of appropriate documents related to that answer, if requested by the committee, which shall include but is not limited to the following:

1. Certified copies of final orders/judgments;

2. If no final order—A certified copy of clerk's docket sheet and copy of complaint; and

3. If criminal conviction—A certified copy of final order and sentence or commutation of sentence.

(4) Following the committee's review process, the applicant shall be informed by letter of licensure approval or denial. The denial letter shall identify the reasons for denial and shall explain the appeal process.

(5) The applicant for provisional baccalaureate social work licensure shall provide social work as defined in section 337.653.1 RSMo, under the order, control, oversight, guidance, and full professional responsibility of the approved registered supervisor at the setting(s) approved by the committee.

(6) A provisional licensed baccalaureate social worker may be employed in the supervisor's private practice setting or in the private practice of another. In those instances, the supervisor may bill clients for services rendered by the provisional licensed baccalaureate social worker but under no circumstances shall the provisional licensed baccalaureate social worker bill the clients directly for services rendered. The professional setting shall not include private practice in which the provisional licensed baccalaureate social worker operates, manages or has an ownership interest in the private practice.

(7) Provisional licensed baccalaureate social workers shall report any change of supervisor, setting, or both in writing on a new Registration of Supervision form provided by committee. There is no fee for updating a change of supervision and/or setting. The committee shall notify both the provisional licensed baccalaureate social worker and registered supervisor, in writing, of the committee's approval or refusal of the registration of supervision.

AUTHORITY: sections 337.653, 337.665.4 and 337.677, RSMo Supp. 2001. Original rule filed Oct. 30, 2002.

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions an estimated six dollars and twenty-one cents (\$6.21) annually for the life of the rule. It is anticipated that the cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee. A detailed fiscal note, which estimates the cost of compliance with this rule, has been filed with the secretary of state.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 - Department of Economic Development
Division 263 - State Committee for Social Workers
Chapter 2 - Licensure Requirements
Proposed Amendment 4 CSR 263-2.047 Provisional Licensed Baccalaureate Social Worker

Prepared May 13, 2002 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
State Committee for Social Workers	\$6.21
Total Annual Cost of Compliance for the Life of the Rule	
	\$6.21

III. WORKSHEET

The figures below represent the expense and equipment costs paid by the State Committee for Social Workers for the licensure by reciprocity process.

CLASSIFICATION	Fee Amount	Number In Class	AGGREGATE COST
Application Packet Printing Cost	\$0.05	1	\$0.05
Envelope for Mailing Application	\$0.07	1	\$0.07
Postage for Mailing Application	\$0.37	1	\$0.37
License Printing Cost	\$0.15	1	\$0.15
Envelope for Mailing License	\$0.03	1	\$0.03
Postage for Mailing License	\$0.37	1	\$0.37
Total expense and equipment cost associated with printing and mailing applications			\$1.04

Applications are processed by the Licensing Technician I who reviews the initial application for licensure and supporting documentation and updates the information contained on the application to the computerized licensing system. The Clerk IV reviews the application and supporting documentation for approval of licensure. The Licensure Technician II enters the remainder of licensure information and requests the license form the computerized licensing system. The Executive I prints the license. The figures below represent the personal service costs paid by the State Committee for Social Workers for the licensure by reciprocity process. Staff resources are shared with another board. The figures below represent the personal service and expense and equipment costs paid by the State Committee for Social Workers for implementation of this rule.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Licensure Technician I	\$6,030.00	\$8,086.23	\$3.89	\$0.06	20 minutes	\$1.30	\$1.30
Licensure Technician II	\$24,060.00	\$32,264.46	\$15.51	\$0.26	15 minutes	\$3.88	\$3.88
Clerk IV	\$8,082.00	\$10,837.96	\$5.21	\$0.09	5 minutes	\$0.43	\$0.43
Executive I	\$8,878.00	\$11,905.40	\$5.72	\$0.10	2 minutes	\$0.19	\$0.19
Total personal service costs associated with printing and mailing the applications for licensure to applicant							\$5.17

IV. ASSUMPTION

1. The number of applications are based on projected figures in FY03.

2. Employee's salaries were calculated using their annual salary multiplied by 34.1% for fringe benefits and then were divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per m
3. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.050 Application for Licensure as a Clinical Social Worker. The committee is proposing to amend the title and subsection (3)(D).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689, RSMo pursuant to House Bill 567 of the 91st General Assembly.

(3) The following documents must be on file for an application to be considered complete and officially filed:

(D) Verification of a passing score as determined by the committee on [one (1) of] the [following] clinical examination[s], administered by the [American] Association of [State] Social Work Boards [(AASSWB):] (ASWB).

1. Advanced examination; or
2. Clinical examination.

Verification of score(s) must be sent directly to the committee office by the [AASSWB] (ASWB).

AUTHORITY: sections 337.600, 337.627 and 337.630, RSMo 2000 and 337.612, and 337.615, RSMo Supp. [1998] 2001. Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Amended: Filed Dec. 2, 1991, effective May 14, 1992. Amended: Filed Jan. 11, 1995, effective June 30, 1995. Rescinded and readopted: Filed Dec. 30, 1998, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED RULE

4 CSR 263-2.052 Application for Licensure as a Licensed Baccalaureate Social Worker

PURPOSE: This rule outlines the procedures for application for licensure as a baccalaureate social worker.

(1) Application for baccalaureate social work licensure shall be made on the forms provided by the committee. Application forms shall be obtained from the State Committee for Social Workers, PO Box 1335, Jefferson City, MO 65102.

(2) An application for licensure is not considered officially filed with the committee until it has been determined by the committee or division staff to be complete and the application is submitted on the

form(s) provided by the committee. The application must be typewritten or printed legibly in black ink, signed, notarized and accompanied by the application fee as set forth in the rules promulgated by the committee.

(3) The following documents must be on file for an application to be considered complete and officially filed:

- (A) Completed application;
- (B) Official transcript(s) sent directly from the educational institution(s);
- (C) Completed Attestation of Supervision form(s) sent directly from the attesting supervisor(s); [and]

(D) Verification of a passing score as determined by the committee on the basic examination or higher examination administered by the Association of Social Work Boards (ASWB). Verification of score(s) must be sent directly to the committee office by the ASWB/.; and

(E) An applicant for licensure who answers “yes” to any question in the application which relates to possible grounds for denial of licensure under section 337.680, RSMo, shall submit a sworn affidavit setting forth in detail the facts that explain the answer and shall submit copies of appropriate documents related to that answer, if requested by the committee, which shall include but is not limited to the following:

1. Certified copies of final orders/judgments;
2. If no final order—Certified copy of clerk’s docket sheet and copy of complaint; and
3. If criminal conviction—A certified copy of final order and sentence or commutation of sentence.

(4) Following the committee’s review process, the applicant shall be informed by letter of licensure approval or denial. The denial letter shall identify the reasons for denial and shall explain the appeal process.

AUTHORITY: sections 337.665 and 337.677.1, RSMo Supp. 2001. Original rule filed Oct. 30, 2002.

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions an estimated one hundred twenty-four dollars and twenty-eight cents (\$124.28) annually for the life of the rule. It is anticipated that the cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee. A detailed fiscal note, which estimates the cost of compliance with this rule, has been filed with the secretary of state.

PRIVATE COST: This proposed rule will cost private entities an estimated four thousand seven hundred fifty dollars (\$4,750) annually for the life of the rule. It is anticipated that the cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee. A detailed fiscal note, which estimates the cost of compliance with this rule, has been filed with the secretary of state.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 - Department of Economic Development

Division 263 - State Committee for Social Workers

Chapter 2 - Licensure Requirements

Proposed Rule 4 CSR 263-2.052 Application for Licensure as a Licensed Baccalaureate Social Worker

Prepared May 13, 2002 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
State Committee for Social Workers	\$124.28

Total Annual Cost of Compliance for the Life of the Rule \$124.28

III. WORKSHEET

The figures below represent the expense and equipment costs paid by the State Committee for Social Workers for the initial licensure process.

CLASSIFICATION	Fee Amount	Number in Class	AGGREGATE COST
Application Packet Printing Cost	\$0.05	20	\$1.00
Envelope for Mailing Application	\$0.07	20	\$1.40
Postage for Mailing Application	\$0.37	20	\$7.40
License Printing Cost	\$0.15	20	\$3.00
Envelope for Mailing License	\$0.03	20	\$0.60
Postage for Mailing License	\$0.37	20	\$7.40

Total expense and equipment cost associated with printing and mailing applications \$20.80

Applications are processed by the Licensing Technician I who reviews the initial application for licensure and supporting documentation and updates the information contained on the application to the computerized licensing system. The Clerk IV reviews the application and supporting documentation for approval of licensure. The Licensure Technician II enters the remainder of licensure information and requests the license form the computerized licensing system. The Executive I prints the license. The figures below represent the personal service costs paid by the State Committee for Social Workers for the initial licensure process. Staff resources are shared with another board. The figures below represent the personal service and expense and equipment costs paid by the State Committee for Social Workers for implementation of

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Licensure Technician I	\$6,030.00	\$8,086.23	\$3.89	\$0.06	20 minutes	\$1.30	\$25.92
Licensure Technician II	\$24,060.00	\$32,264.46	\$15.51	\$0.26	15 minutes	\$3.88	\$77.56
Clerk IV	\$8,082.00	\$10,837.96	\$5.21	\$0.09	5 minutes	\$0.43	\$8.68
Executive I	\$8,878.00	\$11,905.40	\$5.72	\$0.10	2 minutes	\$0.19	\$3.82

Total personal service costs associated with printing and mailing the applications for licensure to applicant \$103.48

IV. ASSUMPTION

1. The number of applications are based on projected figures in FY03.

2. Employee's salaries were calculated using their annual salary multiplied by 34.1% for fringe benefits and then were divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of applications or renewals. The total cost was based on the cost per application multiplied by the estimated number of applications.
3. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 263 - State Committee for Social Workers

Chapter 2 - Licensure Requirements

Proposed Rule 4 CSR 263-2.052 Application for Licensure as a Licensed Baccalaureate Social Worker

Prepared May 13, 2002 by the Division of Professional Registration/State Committee for Social Workers

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
20	Applicants (application fee @ \$200)	\$4,000.00
20	Applicants (notary @ \$2.50)	\$50.00
20	Applicants (official transcript fee @ \$10)	\$200.00
20	Applicants (verification of scores @ \$25.00)	\$500.00
Estimated Annual Cost of Compliance for the Life of the Rule		\$4,750.00

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. The board estimates that 20 individuals will apply for licensure as a Baccalaureate Social Worker annually.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.060 Licensure by Reciprocity as a Licensed Clinical Social Worker. The committee is proposing to amend the title and section (2).

PURPOSE: This amendment requires an applicant to be notified in writing by the committee if the application has been approved or denied for licensure.

(2) Following the committee's review process, the applicant for licensure by reciprocity [will] shall be informed by letter that licensure by reciprocity has been approved or denied. The denial letter [will] shall identify the reasons for denial and the appeal process.

AUTHORITY: sections 337.600, 337.627 and 337.630, **RSMo 2000 and 337.612[,]** and 337.615, *RSMo Supp. [1998] 2001. Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Rescinded and readopted: Filed Dec. 30, 1998, effective July 30, 1999. Amended: Filed Nov. 13, 2002.*

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT
Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED RULE

4 CSR 263-2.062 Licensure by Reciprocity as a Licensed Baccalaureate Social Worker

PURPOSE: This rule establishes a procedure for reciprocity applicants to practice baccalaureate level social work in Missouri.

(1) The committee may issue a license by reciprocity to individuals who meet the licensure requirements as set forth in the rules promulgated by the committee and provide the following:

(A) Completed application for Licensure by Reciprocity form provided by the committee;

(B) A reciprocity application fee as set forth in the rules promulgated by the committee;

(C) Verification form provided by the committee to be completed by the regulatory entity verifying that the individual holds a valid, unrevoked, undisciplined, unrestricted, unexpired license as a baccalaureate social worker in that state, territory, province or country whose licensing or certification requirements are substantially similar to those in Missouri, as determined by the committee. The applicant has the burden of providing the information necessary for determination of this issue.

1. The applicant for licensure by reciprocity shall furnish to the committee true and accurate copies of the licensure law from the state in which s/he is licensed and/or certified.

(2) Following the committee's review process, the applicant for licensure by reciprocity shall be informed by letter that licensure by reciprocity has been approved or denied. The denial letter shall identify the reasons for denial and shall explain the appeal process.

AUTHORITY: sections 337.665 and 337.677.1, *RSMo Supp. 2001. Original rule filed Oct. 30, 2002.*

PUBLIC COST: This proposed rule will cost state agencies or political subdivisions an estimated six dollars and twenty-one cents (\$6.21) annually for the life of the rule. It is anticipated that the cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee. A detailed fiscal note, which estimates the cost of compliance with this rule, has been filed with the secretary of state.

PRIVATE COST: This proposed rule will cost private entities an estimated two hundred thirty-two dollars and fifty cents (\$232.50) annually for the life of the rule. It is anticipated that the cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee. A detailed fiscal note, which estimates the cost of compliance with this rule, has been filed with the secretary of state.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 263 - State Committee for Social Workers

Chapter 2 - Licensure Requirements

Proposed Rule 4 CSR 263-2.062 Licensure by Reciprocity as a Licensed Baccalaureate Social Worker

Prepared May 13, 2002 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
State Committee for Social Workers	\$6.21
Total Annual Cost of Compliance for the Life of the Rule	
	\$6.21

III. WORKSHEET

The figures below represent the expense and equipment costs paid by the State Committee for Social Workers for the licensure by reciprocity process.

CLASSIFICATION	Fee Amount	Number in Class	AGGREGATE COST
Application Packet Printing Cost	\$0.05	1	\$0.05
Envelope for Mailing Application	\$0.07	1	\$0.07
Postage for Mailing Application	\$0.37	1	\$0.37
License Printing Cost	\$0.15	1	\$0.15
Envelope for Mailing License	\$0.03	1	\$0.03
Postage for Mailing License	\$0.37	1	\$0.37
Total expense and equipment cost associated with printing and mailing applications			\$1.04

Applications are processed by the Licensing Technician I who reviews the initial application for licensure and supporting documentation and updates the information contained on the application to the computerized licensing system. The Clerk IV reviews the application and supporting documentation for approval of licensure. The Licensure Technician II enters the remainder of licensure information and requests the license form the computerized licensing system. The Executive I prints the license. The figures below represent the personal service costs paid by the State Committee for Social Workers for the licensure by reciprocity process. Staff resources are shared with another board. The figures below represent the personal service and expense and equipment costs paid by the State Committee for Social Workers for implementation of this rule.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Licensure Technician I	\$6,030.00	\$8,086.23	\$3.89	\$0.06	20 minutes	\$1.30	\$1.30
Licensure Technician II	\$24,060.00	\$32,264.46	\$15.51	\$0.26	15 minutes	\$3.88	\$3.88
Clerk IV	\$8,082.00	\$10,837.96	\$5.21	\$0.09	5 minutes	\$0.43	\$0.43
Executive I	\$8,878.00	\$11,905.40	\$5.72	\$0.10	2 minutes	\$0.19	\$0.19
Total personal service costs associated with printing and mailing the applications for licensure to applicant							\$5.17

IV. ASSUMPTION

- The number of applications are based on projected figures in FY03.

2. Employee's salaries were calculated using their annual salary multiplied by 34.1% for fringe benefits and then were divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of applications or renewals. The total cost was based on the cost per application multiplied by the estimated number of applications.
3. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 263 - State Committee for Social Workers

Chapter 2 - Licensure Requirements

Proposed Rule 4 CSR 263-2.062 Licensure by Reciprocity as a Licensed Baccalaureate Social Worker

Prepared May 13, 2002 by the Division of Professional Registration/State Committee for Social Workers

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
1	Applicants (application fee @ \$225)	\$225.00
1	Applicants (notary @ \$2.50)	\$2.50
1	Applicants (verification of licensure @ \$5.00)	\$5.00
Estimated Annual Cost of Compliance for the Life of the Rule		\$232.50

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. The board estimates that annually 1 individual will apply for licensure as a Baccalaureate Social Worker.
2. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.070 Temporary Permits for Licensed Clinical Social Workers. The committee is proposing to amend the title of the rule.

PURPOSE: This amendment changes the title of the rule.

AUTHORITY: sections 337.600, 337.621, 337.627 and 337.630, RSMo [Supp. 1998] 2000. Original rule filed Sept. 18, 1990, effective Feb. 14, 1991. Amended: Filed Jan. 11, 1995, effective June 30, 1995. Rescinded and readopted: Filed Dec. 30, 1998, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED RULE

4 CSR 263-2.072 Temporary Permits for Licensed Baccalaureate Social Workers

PURPOSE: This rule establishes a procedure for reciprocity applicants to practice baccalaureate level social work in Missouri pending licensure.

(1) Individuals who have a valid, unrevoked, unexpired, undisciplined, unrestricted license or certificate as a baccalaureate social worker from a state, territory, province or country whose licensing or certification requirements are substantially the same as the current Missouri requirements for licensure, as determined by the committee, may apply for a temporary permit to practice baccalaureate level social work in Missouri pending committee approval for licensure by reciprocity.

(2) Temporary permit applicants must submit to the committee the application for reciprocity form and fee, along with the verification form, provided by the committee, completed by the regulatory entity verifying that the individual holds a valid, unrevoked, undisciplined, unrestricted, unexpired license as a clinical social worker in that state, territory, province or country whose licensing or certification requirements are substantially similar to those in Missouri, as determined by the committee. The applicant has the burden of providing the information necessary for determination of this issue.

(3) Upon receipt of the application for licensure by reciprocity and verification of a valid, unrevoked, unexpired, undisciplined, unre-

stricted license from another state, territory, province or country, the committee may issue a temporary permit.

(4) Temporary permits shall be valid for a maximum of three (3) months after issuance. The temporary permit must be returned to the committee upon receipt of a regular license or upon the determination that the individual does not qualify for licensure by reciprocity in Missouri.

(5) Individuals who have temporary permits are subject to the statutes and regulations promulgated by the committee governing the practice of social work.

(6) Individuals who have temporary permits shall use the title Licensed Baccalaureate Social Worker.

AUTHORITY: sections 337.665, 337.671 and 337.677.1, RSMo Supp. 2001. Original rule filed Oct. 30, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 4—DEPARTMENT OF ECONOMIC
DEVELOPMENT**

**Division 263—State Committee for Social Workers
Chapter 2—Licensure Requirements**

PROPOSED AMENDMENT

4 CSR 263-2.075 Renewal of License. The committee is proposing to amend the original purpose statement and sections (1) and (2), subsection (2)(I) and section (4).

PURPOSE: The purpose of this amendment is to implement changes made to sections 337.612–337.689, RSMo pursuant to House Bill 567 of the 91st General Assembly.

PURPOSE: This rule outlines the process of renewing a license to practice as a licensed clinical social worker or as a licensed baccalaureate social worker.

(1) All licenses shall be renewed on or before the expiration of the license. Failure of a licensee to renew the license shall cause the license to lapse. Failure to receive notice shall not relieve the licensee of the obligation to renew the license to practice as a [clinical] licensed social worker and to pay the required fee prior to the expiration date of the license. Renewals shall be postmarked no later than the expiration date of the license or if the expiration date is a Sunday or federal holiday then the next day to avoid the late renewal penalty fee as defined in the rules promulgated by the committee. Deposit of the renewal fee by the division does not constitute acceptance of the renewal application.

(2) Each licensed [clinical] social worker shall provide the committee with a completed renewal form issued by the committee that shall contain:

(I) Details regarding a medical condition which in any way impairs or limits the ability to perform the duties of a licensed *[clinical]* social worker with reasonable skill and safety; and

(4) Any licensee who fails to timely renew shall not perform any act for which a license is required during the **expired**, lapsed or inactive period.

AUTHORITY: sections 337.600, 337.612, 337.618, 337.627 and 337.630, RSMo [Supp. 1998] 2000 and 337.677 and 337.680, RSMo Supp. 2001. Original ruled filed Jan. 20, 1999, effective July 30, 1999. Amended: Filed Oct. 30, 2002.

PUBLIC COST: This proposed amendment will cost state agencies and political subdivisions an estimated three thousand six hundred twenty-nine dollars and three cents (\$3,629.03) annually for the life of the rule. It is anticipated that the cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee. A detailed fiscal note, which estimates the cost of compliance with this rule, has been filed with the secretary of state.

PRIVATE COST: This proposed amendment will cost private entities an estimated four thousand eight hundred dollars (\$4,800) annually for the life of the rule. It is anticipated that the cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee. A detailed fiscal note, which estimates the cost of compliance with this rule, has been filed with the secretary of state.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the State Committee for Social Workers, Attention: Executive Director, PO Box 1335, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*

PUBLIC ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development
Division 263 - State Committee for Social Workers
Chapter 2 - Licensure Requirements
Proposed Amendment 4 CSR 263-2.075 Renewal of License

Prepared May 13, 2002 by the Division of Professional Registration

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Annual Cost of Compliance
State Committee for Social Workers	\$3,629.03

Total Annual Cost of Compliance for the Life of the Rule \$3,629.03

III. WORKSHEET

The figures below represent the expense and equipment costs paid by the State Committee for Social Workers for the licensure renewal process.

CLASSIFICATION	Fee Amount	Number in Class	AGGREGATE COST
Envelope for Mailing Renewal Application	\$0.07	23	\$1.61
Postage for Mailing Renewal Application	\$0.37	23	\$8.51
License Printing Cost	\$0.15	23	\$3.45
Envelope for Mailing License	\$0.03	23	\$0.69
Postage for Mailing License	\$0.37	23	\$8.51

Total expense and equipment cost associated with printing and mailing applications \$22.77

Licenses are issued for a two-year period. The cost of initial licensure and renewal is dependent upon the portion of the full two-year term remaining in the any cycle. Renewal applications are processed by the division central processing unit. Based on FY01 and FY02 transfer cost to the division for this service, the board estimates that approximately \$3,487.26 will transferred to the division annually for the processing of renewals. After the renewals are processed in the central processing unit, the applications are forwarded to the board for review by the Licensure Technician I who reviews the application and updates the information contained on the renewal to the licensing computer system. The Executive Director reviews any questions or problems on renewals and addresses those problems with necessary action such as correspondence, telephone calls or placing on the agenda for Board review. The Clerk IV will assist the Licensure Technician in any renewals containing problems with the employing facility and assist with high volume mail. Staff resources are shared with another board. The figures below represent the personal service and expense and equipment costs paid by the State Committee for Social Workers for implementation of this rule.

STAFF	ANNUAL SALARY	SALARY TO INCLUDE FRINGE BENEFIT	HOURLY SALARY	COST PER MINUTE	TIME PER APPLICATION	COST PER APPLICATION	TOTAL COST
Licensure Technician I	\$6,030.00	\$8,086.23	\$3.89	\$0.06	20 minutes	\$1.30	\$29.81
Licensure Technician II	\$24,060.00	\$32,264.46	\$15.51	\$0.26	15 minutes	\$3.88	\$89.19
Clerk IV	\$8,082.00	\$10,837.96	\$5.21	\$0.09	5 minutes	\$0.43	\$9.99
Executive I	\$8,878.00	\$11,905.40	\$5.72	\$0.10	2 minutes	\$0.19	\$4.39

Total personal service costs associated with printing and mailing the applications for licensure to applicant \$3,606.26

IV. ASSUMPTION

1. The number of applications are based on actual figures from FY01 and FY02 as well as projected figures in FY03.

2. Employee's salaries were calculated using their annual salary multiplied by 34.1% for fringe benefits and then were divided by 2080 hours per year to determine the hourly salary. The hourly salary was then divided by 60 minutes to determine the cost per minute. The cost per minute was then multiplied by the amount of time individual staff spent on the processing of applications or renewals. The total cost was based on the cost per application multiplied by the estimated number of applications.
3. It is anticipated that the total cost will recur annually for the life of the rule, may vary with inflation and is expected to increase annually at the rate projected by the Legislative Oversight Committee.

PRIVATE ENTITY FISCAL NOTE

I. RULE NUMBER

Title 4 -Department of Economic Development

Division 263 - State Committee for Social Workers

Chapter 2 - Licensure Requirements

Proposed Amendment 4 CSR 263-2.075 Renewal of License

Prepared May 13, 2002 by the Division of Professional Registration/State Committee for Social Workers

II. SUMMARY OF FISCAL IMPACT

Estimate the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by type of the business entities which would likely be affected:	Estimated cost of compliance with the rule by affected entities:
46	Licensed Baccalaureate Social Worker (renewal fee @ \$100)	\$4,600.00
1	Licensees (delinquent fee @ \$100)	\$100.00
1	Licensees (restoration of a lapsed license fee @ \$100)	\$100.00
	Estimated Annual Cost of Compliance for the Life of the Rule	\$4,800.00

III. WORKSHEET

See table above.

IV. ASSUMPTION

1. The board estimates that 46 licensed baccalaureate social workers will renew their license biennially.
2. It is anticipated that the total cost will recur biennially for the life of the rule, may vary with inflation and is expected to increase biennially at the rate projected by the Legislative Oversight Committee

**Title 5—DEPARTMENT OF ELEMENTARY AND
SECONDARY EDUCATION
Division 30—Division of Administrative and Financial
Services
Chapter 660—School Finance**

PROPOSED RULE

5 CSR 30-660.070 Video Programming in Schools

PURPOSE: The purpose of this rule is to define the use of video programming in schools.

(1) The school term and the school day shall meet the requirements pursuant to state law and regulations. Time allocated to the general mandatory use, by all or a major portion of students enrolled in a school, of a video or audio program or other offering which is not directly related to the curriculum of the school and the class may not be considered in meeting the eligibility requirements for state aid pursuant to applicable state laws and regulations or the minimum school term requirements pursuant to applicable state laws and regulations.

(2) School districts may not count toward meeting the time allocations for a course the time allocated to the general mandatory use, by all or a major portion of the students enrolled in the course, of a video or audio program or other offering which is not directly related to the curriculum of the class.

AUTHORITY: sections 163.021 and 171.031, RSMo 2000 and 161.092, RSMo Supp. 2002. Original rule filed Oct. 29, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Elementary and Secondary Education, Attn: Gerri Ogle, Associate Commissioner of Administrative and Financial Services, PO Box 480, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**Title 5—DEPARTMENT OF ELEMENTARY AND
SECONDARY EDUCATION
Division 50—Division of [Instruction] School
Improvement
Chapter 270—Early Childhood Education**

PROPOSED AMENDMENT

5 CSR 50-270.010 General Provisions Governing Programs Authorized Under the Early Childhood Development Act. The State Board of Education is proposing to amend sections (1), (2) and the incorporated by reference material.

PURPOSE: The Department of Elementary and Secondary Education is authorized by the Early Childhood Development Act to administer a program of grants to local public school districts for provisions of the Act. Revisions were made to improve the high-needs characteristics, to add to the requirements for training, as well as to improve services offered through personal visits and screening.

(1) All programs and projects carried out by school districts under the Early Childhood Development Act (ECDA) shall be conducted in conformity with/—/:

(A) The school district's annual application for district program approval under the [Early Childhood Development Act [(ECDA)], [sections 178.691–178.699, RSMo] pursuant to applicable state laws and regulations; and

(B) The state "Early Childhood Development Act Program Guidelines and Administrative Manual," which is incorporated by reference and made a part of this rule and which interprets state statutory requirements for the programs and establishes program management procedures consistent with state law and practice.

(2) Any rule or interpretation of a rule promulgated by the State Board of Education in exercising its responsibilities under the statute may be waived by the assistant commissioner, Division of [Instruction] School Improvement, upon his/her determination that a situation exists in which the application of the rule or interpretation would work an extreme hardship upon the affected party, or would work to the detriment of the intended beneficiaries of the program.

AUTHORITY: sections 178.691–178.699, RSMo [1994] 2000 and 161.092, RSMo Supp. 2002. Original rule filed April 4, 1985, effective Sept. 3, 1985. Rescinded and readopted: Filed Feb. 27, 1992, effective Sept. 6, 1992. Amended: Filed June 29, 1995, effective Jan. 30, 1996. Amended: Filed May 29, 1998, effective Dec. 30, 1998. Amended: Filed July 28, 2000, effective Feb. 28, 2001. Amended: Filed Oct. 29, 2002.

PUBLIC COST: This proposed amendment is estimated to cost the Department of Elementary and Secondary Education \$31,906,342 for Fiscal Year 2003, with the cost recurring annually over the life of the rule subject to appropriations.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Department of Elementary and Secondary Education, Attn: Dr. Bert Schulte, Assistant Commissioner, Division of School Improvement, PO Box 480, Jefferson City, MO 65102-0480. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**FISCAL NOTE
PUBLIC COST**

I. RULE NUMBER

Title: 5 Department of Elementary and Secondary Education
 Division: 50 School Improvement
 Chapter: 270 Early Childhood Education
 Type of Rulemaking: Proposed Amendment
 Rule Number and Name: 5 CSR 50-270.010 General Provisions Governing Programs Authorized Under the Early Childhood Development Act

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Elementary and Secondary Education (Reimburse Education Agencies)	\$31,906,342, estimated amount for FY2003 with the cost recurring annually over the life of the rule subject to appropriations.

III. WORKSHEET

DISTRICT QUOTAS FOR FISCAL YEAR 2003 (2002-2003)

Parent Education	0 TO 3 (P1)	FSEUs*	X \$235	\$19,884,431.00
High Needs	0 TO 5 (HN)	Contacts	X \$ 47	\$4,246,591.00
Parent Education	3 TO 5 (P3)	Families	X \$ 40	\$4,334,120.00
Screening	1 TO 3 (S1) 3 TO 5 (S3)	Children	X \$ 25	\$3,441,200.00

Each school district is provided with a quota based on the previous year's service and the amount of funds appropriated to the program.

Parent Education for Families with Children Ages Birth To Age Three (P1)

FY2003 quotas are based on the number of services provided by the district in FY2002.

Additional Services for Families with High Needs (H/N)

FY2003 quotas are based on the total number of contacts provided in FY2002. (HN1 and HN3 added together.) Up to 50% of the Additional Services may be used for families with children 3-5 provided a parent educator certified to use the 3-5 curriculum delivers the services.

Parent Education for Families with Children Ages Three to Five (P3)

FY2003 quotas are based on the number of services provided by the district in FY2002.

Screening of Children Ages One and Two (S1)

FY2003 quotas are based on the number of services provided by the district in FY2002.

Screening of Children Ages Three to Kindergarten Entry (S3)

FY2003 quotas are based on the number of services provided by the district in FY2002.

IV. ASSUMPTIONS

The rule incorporates by reference The Early Childhood Development Act Program Guidelines and Administrative Manual. Aid included under these programs is limited exclusively to school districts. Due to this limitation, the proposed amendment will not require an expenditure of money by or a reduction in income for any person, firm, corporation, association, partnership, proprietorship, or business entity.

*FSEU – Full Service Equivalent Unit

**Title 5—DEPARTMENT OF ELEMENTARY AND
SECONDARY EDUCATION
Division 50—Division of School Improvement
Chapter 340—School Improvement and Accreditation**

PROPOSED RULE

5 CSR 50-340.150 Priority Schools

PURPOSE: This rule establishes procedures to improve student performance in lower performing schools.

(1) The Department of Elementary and Secondary Education (DESE) shall designate priority school districts and priority school buildings.

(A) Identification of priority school districts and priority school buildings is based upon the following:

1. Academically deficient school buildings pursuant to applicable state laws and regulations;
2. Unaccredited or provisionally accredited school districts pursuant to applicable state laws and regulations; and/or
3. School districts and/or buildings which do not meet any of the Missouri Assessment Program (MAP) grade span and reading standards as based on the district's or building's annual performance report (APR) for two (2) successive years.

(B) At the time the State Board of Education (board) takes official action to designate a school district as unaccredited, provisionally accredited or designating a school building as academically deficient, that school will become a priority school and shall comply with the applicable state laws and regulations.

(C) Priority school districts and/or buildings remain priority schools until the status of unaccredited, provisionally accredited or the academically deficient designation is removed pursuant to applicable state laws and regulations.

(D) Priority school districts and/or buildings which failed to meet any of the MAP standards for two (2) successive years must meet at least one (1) standard for two (2) successive years to be removed as a priority school.

(2) Priority school districts and/or buildings shall submit a comprehensive school improvement plan which includes:

(A) An accountability compliance statement which must:

1. Identify and analyze student performance deficiency areas by school, grade and academic content areas;
2. Provide a comprehensive strategy addressing student performance deficiency areas which includes:

A. Alignment of curriculum with deficiency areas;

B. Development of an individual performance plan (IPP) for a student performing at the lowest achievement level or level not determined (LND) on the MAP and is not under an individualized education plan (IEP) and receiving special education services. The IPP shall:

(I) Be developed by the student's parent, guardian or other adult responsible for the student's education and the student's teacher(s);

(II) Outline the responsibilities of the parties involved including those of the student, parents, teacher(s) and building administrator;

(III) Require good faith on all parties in implementing the IPP; and

(IV) Allow additional instruction time and require a student in grades nine through twelve (9–12) in a priority school district and/or building so designated by January 1 of the school year to retake the MAP during that school year. Students grades nine through twelve (9–12) in a priority school district and/or building so designated after January 1 of the school year must retake the MAP during the following school year;

C. Focusing professional development funds in the areas of academic need;

D. Creation of programs to improve teacher and administrator effectiveness which includes but is not limited to:

(I) Professional development for all certificated staff which include one (1) of the following:

(a) Participation in a mentoring program established pursuant to the rules promulgated by the board;

(b) Certification as a MAP scorer; and/or

(c) Enrollment and satisfactory progressing towards National Board Certification;

(II) Any individual is exempt from the professional development as listed above if the individual has:

(a) Taken or takes the appropriate content knowledge specialty area exit assessment and achieves the qualifying score on that exit assessment as promulgated in the rules by the board;

(b) National Board Certification;

(c) Been a certified scorer for the MAP;

(d) Designated by DESE as a regional resource teacher;

(e) Served as a mentor teacher for one (1) year in a program approved by the board; or

(f) Completed an appropriate administrator academy pursuant to applicable state laws and regulations;

E. Establishment of school accountability councils or aligning existing parent advisory councils pursuant to applicable state laws and regulations;

F. Development of a district resource reallocation plan which includes but is not limited to:

(I) Reduction in class size in the academic deficient areas;

(II) Establishment of:

(a) Full-day kindergarten;

(b) Preschool programs;

(c) Afterschool tutoring and other programs which extend time for learning;

(d) Programs of teacher home visitation; or

(e) "School within a school" program; or

(III) Employment of DESE approved regional resource teachers or national board certified teachers; and

G. Evaluation of the need to implement strategies in any feeder schools of the priority school;

3. Disclose the student performance deficiency areas in the school report card pursuant to applicable state laws and regulations; and

4. Review school discipline provisions pursuant to applicable state laws and regulations; and

(B) Any school building within a priority school district that meets all of the MAP standards applicable to the grade level configuration for that building will be exempt from submitting a comprehensive school improvement plan except that the priority school district and/or building must:

1. Develop an IPP pursuant to this rule for students performing at the lowest achievement level or LND on the MAP and who are not under an IEP and receiving special education services; and

2. Focus professional development funds in the areas of academic need.

(3) The accountability compliance statement should be submitted to DESE within one hundred twenty (120) days of notice that the school district and/or building is a priority school. In no event shall the accountability compliance statement be submitted later than August 15 of the school year following designation as a priority school.

(A) Within thirty (30) days of receipt of the accountability compliance statement, DESE shall review the statement and identify any plan deficiencies.

(B) The priority school shall forward to DESE within thirty (30) days of receipt of plan deficiencies the appropriate changes to the accountability compliance statement.

*AUTHORITY: sections 160.720 and 161.092, RSMo Supp. 2002.
Original rule filed Oct. 29, 2002.*

PUBLIC COST: This proposed rule will cost the Department of Elementary and Secondary Education an estimate of ninety-eight thousand, four hundred dollars (\$98,400) in Fiscal Year 2004 with the cost recurring annually over the life of the rule.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

*NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri Department of Elementary and Secondary Education, Attn: Dr. Orlo Shroyer, Deputy Commissioner, PO Box 480, Jefferson City, MO 65102-0480. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.*

**FISCAL NOTE
PUBLIC COST**

I. RULE NUMBER

Title: 5 – Department of Elementary and Secondary Education
Division: 50 – School Improvement
Chapter: 340 – School Improvement and Accreditation
Type of Rulemaking: Proposed Rule
Rule Number and Name: 5 CSR 50-340.150 Priority Schools

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated of Compliance in the Aggregate
Department of Elementary and Secondary Education	\$98,400 for Fiscal Year 2004 with the cost recurring annually over the life of the rule.

III. WORKSHEET

Students in grades 10 and 11 in a priority school building who score in the lowest level of achievement or are in Level Not Determined (LND) on the MAP are required to retake the test in that subject area the following year.

Estimated number of students: 12,300 x \$8 per student = \$98,400

IV. ASSUMPTIONS

**Title 5—DEPARTMENT OF ELEMENTARY AND
SECONDARY EDUCATION
Division 50—Division of School Improvement
Chapter 380—Technology Grants**

PROPOSED RULE

5 CSR 50-380.020 Internet Filtering

PURPOSE: This rule sets the Internet filtering standards for public schools.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) This rule is designed to restrict minors from gaining access to inappropriate material on the Internet. Public school districts should review and comply with the standards set forth in the Federal Children's Internet Protection Act (CIPA) and the Neighborhood Children's Internet Protection Act (NCIPA) which are incorporated by reference and made a part of this rule.

AUTHORITY: sections 161.092 and 182.827, RSMo Supp. 2002. Original rule filed Oct. 29, 2002.

PUBLIC COST: This proposed rule will cost school districts five hundred thousand dollars (\$500,000) in Fiscal Year 2003 with the cost recurring annually over the life of the rule.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Missouri Department of Elementary and Secondary Education, Attn: Dr. Bert Schulte, Assistant Commissioner, Division of School Improvement, PO Box 480, Jefferson City, MO 65102-0480. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**FISCAL NOTE
PUBLIC COST**

I. RULE NUMBER

Title: 5 - Department of Elementary and Secondary Education
Division: 50 - School Improvement
Chapter: 380 - Technology Grants Program
Type of Rulemaking: Proposed Rule
Rule Number and Name: 5 CSR 50-380.020 Internet Filtering

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated of Compliance in the Aggregate
Public School Districts	\$500,000 for FY 2003 with the cost recurring annually over the life of the rule.

III. WORKSHEET

The estimate provided above is based on studies conducted in 1997 and 2001. The estimate reflects an average of costs that vary by Internet solution, student usage, vendor, contractual volume, and payment period. Filtering solutions come equipment-based, software-based, or use a combination of both. Some districts elect to purchase two or more different options that vary across grade levels or school buildings because of differences in student use of the Internet or the level of technical support available. Some districts opt to purchase helpdesk support, on-site installation, and periodic updates and maintenance. Some districts purchase solutions from the state's prime vendor, while others deal with local providers. Almost all solutions involve a higher initial cost and lesser annual renewal costs.

IV. ASSUMPTIONS

To be compliant with CIPA, all districts had to have filtering in place by July 1, 2002. According to the 2001 Census of Technology, 55% of school buildings were already filtering their Internet connections.

**Title 5—DEPARTMENT OF ELEMENTARY AND
SECONDARY EDUCATION
Division 80—Teacher Quality and Urban Education
Chapter 850—Professional Development**

PROPOSED RULE

5 CSR 80-850.045 Mentoring Program Standards

PURPOSE: This rule establishes standards for successful mentoring programs.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) A successful mentoring program will include but may not be limited to the standards listed below and in the *Missouri Professional Development Guidelines for Student Success* which is hereby incorporated by reference and made a part of this rule:

(A) Standard 1: Mentoring programs should be designed with at least the following scope and purpose:

1. Program size is carefully defined;
2. Program expectations are clearly stated;
3. Available resources are secured and available; and
4. Program expectations and support are balanced;

(B) Standard 2: At least the following mentoring incentives, appropriate to the circumstances, should be used:

1. Peer support is provided to the mentor;
2. Release time is provided as appropriate to the circumstances;

and

3. Financial support is provided as appropriate to the circumstances;

(C) Standard 3: Mentors should be prepared for the mentoring experience with at least the following:

1. Mentors understand program expectations; and
2. Mentors receive training as appropriate to their work; training (e.g. subject matter, coaching skills, technology, etc.);

(D) Standard 4: Strategies for mentor selection and matching should be designed and implemented including but not limited to the following:

1. Mentors selection criteria are designed;
2. An efficient and effective mentor selection process is operational; and
3. Formal and informal mentor/protégé matching strategies are utilized as appropriate to the circumstances; and

(E) Standard 5: At least the following information regarding the effectiveness of the mentoring experience should be collected, analyzed and evaluated:

1. Evaluation is designed to focus on criteria related to successful mentoring experiences; and
2. Protégés, mentors, and program administrators provide feedback on program effectiveness.

(2) Each priority school district and priority school building, that chooses the professional development option of participating in a mentoring program, must develop a mentoring program which addresses the above stated criteria of successful mentoring in the district's accountability compliance statement.

AUTHORITY: sections 160.720 and 161.092, RSMo Supp. 2002. Original rule filed Oct. 29, 2002.

PUBLIC COST: This proposed rule is estimated to cost school districts across the state an aggregate of \$1,875,000 in Fiscal Year 2004 with the cost recurring annually over the life of the rule.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Elementary and Secondary Education, Attn: Dr. Charles Brown, Assistant Commissioner, Division of Teacher Quality and Urban Education, PO Box 480, Jefferson City, MO 65102-0480. To be considered, comments must be received within thirty (30) days after publication of this notice in the *Missouri Register*. No public hearing is scheduled.

**FISCAL NOTE
PUBLIC COST**

I. RULE NUMBER

Title: 5 – Department of Elementary and Secondary Education
Division: 80 – Teacher Quality and Urban Education
Chapter: 850 – Professional Development
Type of Rulemaking: Proposed Rule
Rule Number and Name: 5 CSR 80-850.045 Mentoring Program Standards

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated of Compliance in the Aggregate
Public School Districts	\$1,875,000 in the aggregate for Fiscal Year 2004 with the cost recurring annually over the life of the rule.

III. WORKSHEET

Based on a 50 FTE/Building
Substitutes 4 days x \$75 = \$300 x 50 FTE = \$15,000.00
Materials \$75 x 50 FTE = 3,750.00
Total \$18,750.00

If there are 100 priority buildings statewide, the estimated cost is 100 x \$18,750 = \$1,875,000

IV. ASSUMPTIONS

Cost estimates are based on variables depending on amount of materials, number of consultants, and number of substitutes that will be needed during the mentoring process.

Any other costs not identified in this fiscal note are unforeseeable and unquantifiable as this incorporate new procedures.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 50—Missouri State Highway Patrol
Chapter 2—Motor Vehicle Inspection Division**

PROPOSED AMENDMENT

11 CSR 50-2.500 Definitions. The division proposes to add new subsections (1)(B) and (1)(J) and modifying and renumbering subsections (1)(B) through (1)(I).

PURPOSE: This proposed amendment modifies existing definitions and adds two (2) new definitions.

(1) Words and terms used in 12 CSR 10-23.345 and the following words and terms as defined are applicable to these rules:

(B) Essential part—Any nonmajor component part that is used to complete the repair or restoration of the vehicle to its original appearance or design;

[(B)] (C) EVIN—The engine vehicle identification number;

[(C)] (D) Federal Motor Vehicle Safety Standard Label (Federal [Sticker] Label)—A decal usually affixed to the left front door or door jamb certifying the vehicle meets federal safety and bumper standards. All 1987 and later model year vehicles will have a revised label which includes the phrase “Safety, Bumper, and Theft Prevention”;

[(D)] (E) High theft line vehicle parts identification—The full VIN on a label or inscribed onto all covered major parts except that manufacturers who were utilizing a derivative of the VIN of at least eight (8) characters to identify engines and transmissions as of October 24, 1984, may continue to use the VIN derivative for engines and transmissions. Covered new and replacement major parts to be numbered are engine, transmission, both front fenders, hood, [both front] all doors, both bumpers, both rear quarter panels, deck-lid, tailgate or hatchback [and both rear doors], sliding or cargo door(s), right and left side assembly on Multi-Purpose Vehicles (MPV), pickup box, and/or cargo box on Light Duty Trucks (LDT) of 1987 and newer high[er] theft line vehicles [and]. Covered manufactured replacement parts for covered lines must have the symbol “DOT” and the letter “R” within five (5) centimeters of the manufacturer’s registered trademark, or some other unique identifier. All of these characters must be at least one (1) centimeter in height;

[(E)] (F) [Identification number and abandoned vehicle verification] ID/OD and VIN verifications—A verification of the vehicle identification number and odometer reading of motor vehicles previously titled in another state and/or a verification of the PVIN to correct typographical errors, upon a request from the Department of Revenue [or when an abandoned vehicle is towed];

[(F)] (G) Proof of ownership—This includes a manufacturer’s statement of origin or certificate of title, a notarized bill of sale when accompanied by photocopies of the front and back of the title or a court order assigning ownership and a bill of sale for [nonmajor] essential component parts;

1. Manufacturer’s statement of origin is a certificate issued by the manufacturer of a vehicle or vehicle body part describing the vehicle or vehicle part and listing applicable numbers.

2. Certificate of title is the primary document issued by the Department of Revenue or other governmental agency denoting ownership of a vehicle.

3. Notarized bill of sale is a document conveying ownership from one party to another that has been witnessed by a notary.

4. Court order is a declaration issued by a court establishing ownership when ownership is questionable.

5. Bill of sale is a descriptive document containing the year, make, model and appropriate identification numbers conveying ownership from one (1) party to another;

[(G)] (H) PVIN—The public vehicle identification number;

[(H)] (I) Rebuilt salvage motor vehicle—A vehicle which has been issued a salvage certificate of title and repaired or restored to its original appearance and design by means of repaired sheet metal, replacement [of] with new or used essential parts of the same vehicle make, model or description [(these parts may include a transmission, rear clip, fenders, hood, grille, front end assembly or engine) or any of these which has] and/or by replacement of not more than one (1) major component part [replaced; and];

(J) Reconstructed motor vehicle—A vehicle that is altered from its original construction by the addition or substitution of two (2) or more new or used major component parts, excluding motor vehicles made from all new parts, and new multistage manufactured vehicles; and

[(I)] (K) TVIN—The transmission vehicle identification number.

AUTHORITY: section 301.190, RSMo [Supp. 1997] 2000. Original rule filed May 10, 1991, effective Sept. 30, 1991, Emergency rescission and rule filed March 2, 1998, effective April 1, 1998, expired Sept. 27, 1998. Rescinded and readopted: Filed March 2, 1998, effective Aug. 30, 1998. Amended: Filed Nov. 1, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Public Safety, Missouri State Highway Patrol, PO Box 568, Jefferson City, MO 65102-0568. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 50—Missouri State Highway Patrol
Chapter 2—Motor Vehicle Inspection Division**

PROPOSED AMENDMENT

11 CSR 50-2.510 General Information. The division proposes to delete subsections (1)(A)–(1)(M), amend sections (1), (3), (4), (7), (8), and subsections (8)(B), (8)(C), (8)(E), (8)(G) and (8)(I).

PURPOSE: This proposed amendment attempts to maintain up to date examination locations by removing the examination locations and listing them in the VIN Verification Manual that is maintained at all Missouri State Highway Patrol Headquarters and incorporate new and revised definitions.

(1) Vehicle owners are allowed to submit their vehicles to any designated examination location within the state by appointment. [The following is a list of examination sites and telephone numbers:

(A) Troop A Headquarters, 504 East Blue Parkway, Lee’s Summit—(816) 524-0255;

(B) State Fairgrounds Maintenance Building, Sedalia—(816) 827-3366;

(C) Troop B Headquarters, U.S. Highway 36, Macon—(816) 385-2132;

(D) Troop C Headquarters, 599 South Mason Road, Kirkwood—(314) 340-4043;

(E) Troop C Satellite, U.S. 67, Park Hills—(573) 431-0166;

(F) Troop D Headquarters, 3131 East Kearney, Springfield—(417) 895-6868;

(G) Troop D Satellite, U.S. 71 Alternate, Carthage—(417) 358-4686;

(H) Troop E Headquarters, Route 6, Box 572, Poplar Bluff—(573) 840-9500;

(I) Troop E Satellite, 105 Keystone Drive, Sikeston—(573) 472-5200;

(J) Troop F Headquarters, U.S. 50-63 & Shamrock Road, Jefferson City—(573) 751-1000;

(K) Troop G Headquarters, Business U.S. 60-63, Willow Springs—(417) 469-3121;

(L) Troop H Headquarters, 3525 North Belt, St. Joseph—(816) 387-2345; and

(M) Troop I Headquarters, Nagogami Road West, Rolla—(573) 368-2345.] Current locations may be obtained by contacting the local Missouri State Highway Patrol Troop Headquarters.

(3) All vehicles, except those requiring a [simple] title or identification/odometer (ID/OD) [v] Verification, shall be brought to the troop headquarters, troop [satellite] service centers or other location approved by the Missouri State Highway Patrol.

(4) Vehicles must be capable of being driven/positioned into and out of the [inspection] examination area.

(7) The owner or his/her representative will not be allowed to remain in the [inspection] examination area [during the examination], but [should] will remain at the site should any questions arise[.], or any additional body part(s) need to be removed to expedite the examination.

(8) [Inspection] Examination personnel may refuse to conduct an examination for the following reasons:

(B) The vehicle owner is unable to produce a copy of the title front and back and a descriptive notarized bill of sale for the major component part(s) or bill of sale for other essential part(s) used in rebuilding or restoring the vehicle;

(C) A validated Vehicle Examination Certificate is not presented;

(E) The vehicle has [major] body damage or is not complete, excluding paint, minor dings/dents or scratches;

(G) Body parts have not been removed which permit access to vehicle identification numbers or the person presenting the vehicle cannot remove additional body part(s);

(I) The vehicle has been transported to the [inspection] examination site and cannot be unloaded and/or driven/positioned in the [inspection] examination area.

AUTHORITY: section 301.190, RSMo [Supp. 1997] 2000. Original rule filed May 10, 1991, effective Sept. 30, 1991. Amended: Filed Sept. 30, 1993, effective April 9, 1994. Emergency rescission and rule filed March 2, 1998, effective April 1, 1998, expired Sept. 27, 1998. Rescinded and readopted: Filed March 2, 1998, effective Aug. 30, 1998. Amended: Filed Nov. 1, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Public Safety, Missouri State Highway Patrol, PO Box 568, Jefferson City, MO 65102-0568. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 50—Missouri State Highway Patrol
Chapter 2—Motor Vehicle Inspection Division**

PROPOSED AMENDMENT

11 CSR 50-2.520 Procedures. The division proposes to amend section (8), add new section (9), and amend subsection (1)(A), paragraphs (1)(A)3., (2)(A)2., (4)(A)2., subsection (5)(A), and paragraphs (6)(A)1., (6)(A)2., (6)(A)3., and (7)(A)2., and deleting the forms that follow this rule in the *Code of State Regulations*.

PURPOSE: This proposed amendment attempts to clarify requirements for examinations and addresses recent statutory changes and incorporates new definitions.

(1) Rebuilt Vehicles.

(A) A person presenting a rebuilt or reconstructed vehicle for a vehicle identification number (VIN) verification will be required to present the following, when applicable:

1. The vehicle with the necessary parts removed for examination;
2. Proof of ownership for the basic vehicle;
3. Proof of ownership for the engine, transmission, any essential parts or any major component parts used in the reconstruction or rebuilding process; and
4. The Vehicle Examination Certificate properly completed and signed.

(2) Specially Constructed Vehicles.

(A) A person presenting a specially constructed vehicle for a VIN verification will be required to present the following, when applicable:

1. The vehicle with the necessary parts removed for examination;
2. Proof of ownership [of] for the basic vehicle;
3. Proof of ownership for engine, transmission, any essential parts or any major component parts used in construction; and
4. The Vehicle Examination Certificate properly completed and signed.

(4) Cab Change Vehicles.

(A) A person presenting a cab change vehicle for a VIN verification will be required to present the following, when applicable:

1. The vehicle with the necessary parts removed for examination;
2. Proof of ownership [of] for the basic vehicle;
3. The original title assigned to the basic vehicle owner or a copy of the front and back of the title for the replacement cab with a notarized descriptive bill of sale;
4. The manufacturer's statement of origin for the newly manufactured cab;
5. Bill of sale for the other essential part(s); and
6. The Vehicle Examination Certificate properly completed, if the vehicle has a salvage title or the original appearance of the vehicle has changed.

(5) Non-United States of America (USA) Standard Vehicles.

(A) A person presenting a non-USA Standard motor vehicle for a VIN verification will be required to present the following, when applicable:

1. The vehicle with the necessary parts removed for examination;
2. Proof of ownership for the vehicle; and
3. The Vehicle Examination Certificate properly completed and signed.

(6) Motor Change Vehicles.

(A) A person presenting a motor change vehicle for a VIN verification will be required to present the following, when applicable:

1. The vehicle with the necessary parts removed for examination;
2. Proof of ownership [of] for the basic vehicle;
3. Proof of ownership for the engine or an affidavit of motor change; and
4. The Vehicle Examination Certificate properly completed and signed.

(7) Vehicles Requiring Replacement of Public VIN Plate.

(A) A person presenting a vehicle requiring the replacement of the public VIN plate will be required to present the following, when applicable:

1. The vehicle with the necessary parts removed for examination;
2. Proof of ownership [of] for the vehicle; and
3. An Application for a Replacement Vehicle Identification Number Plate form with the top portion completed and notarized.

(8) [Identification Number and Abandoned Vehicle Verification] Abandoned/Towed/Out-of-State Towed Vehicles.

(A) A person presenting a vehicle [requiring an identification number or abandoned vehicle] for a VIN verification [shall] to a designated examination location will be required to present the following, when applicable:

1. The vehicle with necessary parts removed for examination;
2. [A certificate of title or a letter of request from the Department of Revenue] Proof of ownership for the vehicle, which may vary depending on the circumstances surrounding the requested examination;
3. [An Identification Number and Abandoned Vehicle Form.] A completed Crime Inquiry and Inspection Report/Authorization to Tow, if a tow company;
4. The Vehicle Examination Certificate properly completed and signed.

(B) The director of revenue will determine how the vehicle will be titled [issued].

(9) Abandoned Property Located on Privately Owned Real Estate.

(A) A person presenting abandoned property pursuant to section 301.193 RSMo, to a designated examination location, who has no proof of ownership will be required to present the following, when applicable:

1. The vehicle or watercraft with necessary parts removed for examination;
2. Vehicles require the Vehicle Examination Certificate, properly completed and signed;
3. Watercraft require the Watercraft AND/OR Outboard Motor Affidavit of Ownership and Inspection, properly completed and signed.

(B) The director of revenue will determine how the vehicle/watercraft/outboard motor will be titled.

AUTHORITY: section 301.190, RSMo [Supp. 1997] 2000. Original rule filed May 10, 1991, effective Sept. 30, 1991. Amended: Filed Sept. 30, 1993, effective April 9, 1994. Emergency rescission and rule filed March 2, 1998, effective April 1, 1998, expired Sept. 27, 1998. Rescinded and readopted: Filed March 2, 1998, effective Aug. 30, 1998. Amended: Filed Nov. 1, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Public Safety, Missouri State Highway Patrol, PO Box 568, Jefferson City, MO 65102-0568. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 13—Peace Officer Licenses**

PROPOSED AMENDMENT

11 CSR 75-13.020 Procedure to Obtain New Peace Officer License. The department is proposing to add a new section (7), and renumber old section (7) to section (8).

PURPOSE: This amendment will include the requirement of an applicant to achieve a qualifying score on the Missouri Peace Officer License Exam, prior to obtaining a peace officer license.

(7) The applicant shall achieve a qualifying score on the Missouri Peace Officer License Exam (MPOLE), except that an applicant for a class R license shall not take the MPOLE.

[(7)] (8) The Director shall grant the appropriate license or deny the applicant's request to be licensed. An applicant aggrieved by the decision of the Director may appeal pursuant to section 590.100.3, RSMo.

AUTHORITY: sections 590.030.2 and 590.030.4, RSMo Supp. 2001. Original rule filed May 1, 2002, effective Oct. 30, 2002. Amended: Oct. 31, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with Doug Shoemaker, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 14—Basic Training Centers**

PROPOSED AMENDMENT

11 CSR 75-14.080 Minimum Requirements for a Basic Training Instructor. The department is amending paragraph (3)(D)6., by correcting the curricula title, Firearms/Legal Aspects to the corrected title of Firearms.

PURPOSE: This amendment corrects the title of the curricula course named Firearms.

(3) To qualify for a specialist license, an instructor shall possess the following qualifications:

(D) A valid, current third-party or secondary license shall be required to qualify as a specialist instructor for any objective related to the following:

1. Tactical Communications if utilizing Verbal Judo, graduate of a Verbal Judo Trainer Course.

2. Hazardous Materials, graduate of a POST recognized Hazardous Materials Training Course.

3. Accident Investigation, graduate of a Basic Accident Investigation School or Accident Reconstruction School.

4. First Aid (First Responder), Certified First Responder or a licensed Emergency Medical Technician (EMT), Emergency Medical Technician Paramedic (EMTP), Registered Nurse (RN), Medical Doctor (MD), or Doctor of Osteopathy (DO).

5. The core curricula areas under Defensive Tactics, graduate of a POST recognized Law Enforcement Defensive Tactics Instructor Course.

6. The core curricula areas under Firearms/[Legal Aspects], graduate of a POST recognized Firearms Instructor School of at least forty (40) hours.

7. The core curricula areas under Driver Training, graduate of a POST recognized Drivers Training Instructor Course.

8. Memoranda, Introduction to Report Writing, and Report Writing Exercises, if an individual does not have at least a four (4) year college degree, they must be a graduate of a POST recognized Report Writing Instructor Course.

AUTHORITY: section 590.060.1, RSMo Supp. 2001. Original rule filed May 1, 2002, effective Oct. 30, 2002. Amended: Filed Oct. 31, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with Doug Shoemaker, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 11—DEPARTMENT OF PUBLIC SAFETY
Division 75—Peace Officer Standards and Training
Program
Chapter 15—Continuing Education**

PROPOSED AMENDMENT

11 CSR 75-15.030 Procedure to Obtain a Continuing Education Provider License. The department is deleting subsection (9)(C) and relettering subsection (9)(D).

PURPOSE: This amendment removes the requirements for the POST Commission to review the applicant's qualification for renewal of a continuing education provider license.

(9) The procedure to renew a three (3)-year CLEE provider license shall be as follows:

[(C) The POST Commission shall review the applicant's qualification for renewal and make a recommendation to the Director whether to renew the applicant's license.]

[(D)] (C) The Director shall grant renewal of the applicant's license or deny the applicant's request, which shall cause the license to expire.

AUTHORITY: section 590.050.2, RSMo Supp. 2001. Original rule filed May 1, 2002, effective Oct. 30, 2002. Amended: Filed Oct. 31, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with Doug Shoemaker, POST Program, Missouri Department of Public Safety, PO Box 749, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 12—DEPARTMENT OF REVENUE
Division 10—Director of Revenue
Chapter 2—Income Tax**

PROPOSED AMENDMENT

12 CSR 10-2.045 Missouri Consolidated Income Tax Returns. The director proposes to delete, amend or renumber various sections of the rule.

PURPOSE: This amendment is to address recent court cases and simplify application of the rule.

[(2) Applicability of Regulation. Except as provided in subsection (2)(A) of this rule, this rule shall apply only with respect to taxable years of an affiliated group which began on or after January 1, 1973.

(A) If the common parent has a taxable period which includes parts of each of the years 1972 and 1973, this rule shall apply with respect to the determination of tax and taxable income of the affiliated group for the 1972-73 taxable period, provided that the affiliated group has elected to determine its tax and taxable income for that period pursuant to the provisions of sections 143.011-143.996, RSMo and the election has been filed with the director of revenue on or before the due date (including extensions of time) for the filing of the separate Missouri return of the common parent for its 1972-73 taxable period.]

[(3)] (2) Affiliated group. The term affiliated group means those members of an affiliated group of corporations as defined by Internal Revenue Code (IRC) Section 1504 and the applicable treasury regulations which participate or are required to participate in the filing of a federal consolidated income tax return for the taxable year.

[(4)] (3) Missouri consolidated return year. The term Missouri consolidated return year means a taxable year for which a Missouri consolidated return is filed or required to be filed by an affiliated group under this rule.

[(5)] (4) New member. The term new member shall mean a corporation which is a member of an affiliated group during the current Missouri consolidated return year but which was not a member of the group for the immediately preceding Missouri consolidated return year.

[[6]] (5) Multistate Tax Compact. The term Multistate Tax Compact shall mean the Multistate Tax Compact as enacted into law in Missouri as section 32.200, RSMo.

[[7]] (6) IRC [S]section. The term IRC section shall mean the pertinent provision of the *Internal Revenue Code* for the taxable year.

(7) Required member. The term required member shall mean any corporation included on the federal consolidated return for the affiliated group, except:

(A) An express company which pays an annual tax on its gross receipts in this state;

(B) An insurance company which pays an annual tax on its gross premium receipts in this state;

(C) A Missouri mutual or extended Missouri mutual insurance company organized under Chapter 380, RSMo; or

(D) An association or credit union which pays an annual tax pursuant to section 148.620, RSMo.

[[9]] Sections 143.011–143.996, RSMo. The term sections 143.011–143.996, RSMo shall mean the Missouri Income Tax Law which became effective on January 1, 1973 and applies with respect to taxable periods beginning on or after January 1, 1973. To the extent that sections 143.011–143.996, RSMo, by virtue of section 143.009, RSMo, are made applicable to other taxable periods, the term sections 143.011–143.996, RSMo also shall refer to those other taxable periods.]

[[10]] (9) Director of revenue. The term director of revenue, except as otherwise specifically provided in this rule, shall mean the director of revenue or his/her duly authorized agent or designee.

[[11]] (10) Computing Missouri consolidated taxable income from all sources. The Missouri consolidated taxable income (all sources) of an affiliated group shall be its federal consolidated taxable income for the taxable year, adjusted to reflect the modifications provided in section 143.121, RSMo and the applicable modifications provided in section 143.141, RSMo, and to reflect the exclusion of any members of the affiliated group that are not required members. There shall be subtracted the federal income tax deduction provided in section 143.171, RSMo. There shall be subtracted, to the extent included in federal consolidated taxable income, corporate dividends from sources within Missouri.

[[12]] (11) Computing Missouri consolidated taxable income from Missouri sources.

(A) The Missouri consolidated taxable income (Missouri sources) of an affiliated group shall be so much of its Missouri consolidated taxable income (all sources) as is derived from sources within Missouri pursuant to the interstate division of income rules set forth in section [[21]] (18) of this rule. If only part of the Missouri consolidated taxable income (all sources) is derived from sources within Missouri, the Missouri consolidated taxable income (Missouri sources) shall only reflect the effect of the following listed deductions to the extent applicable to Missouri:

[[A]] 1. The deduction for federal income tax provided in section 143.171, RSMo; and

[[B]] 2. The effect on Missouri consolidated taxable income (all sources) of the deduction for consolidated net operating loss allowed by IRC Section 172 and the applicable Treas. Reg. issued under IRC Section 1502.

[[13]] Extent Applicable to Missouri.] The extent these deductions applicable to Missouri[, referred to in section (12) of this rule,] shall be determined by multiplying the amount that would otherwise affect Missouri consolidated taxable income (all sources) by the ratio of Missouri consolidated taxable income (Missouri sources) for the year divided by the Missouri consolidated taxable income (all

sources) for the year. For the purpose of the preceding sentence, Missouri consolidated taxable income shall not reflect the deductions listed in subsections [[12]] (A) and (B) of this rule.

(B) If an affiliated group files a Missouri income tax return in which one or more members of the affiliated group are not required members, the federal income tax deduction for such Missouri income tax return shall be determined by multiplying the federal income tax liability of the affiliated group by a fraction, the numerator of which is the sum of the federal taxable incomes of the required members and the denominator of which is the sum of the federal taxable incomes of all members of the affiliated group.

[[14]] (12) Qualifying for Privilege to File Consolidated Return. An affiliated group (other than one which is required to file a Missouri consolidated return for the year) shall be qualified to file a Missouri consolidated return if—

(A) It files a federal consolidated return for the taxable year;

[[B]] The interstate division of income percentage of the affiliated group for the year, determined under section (21) of this rule, is fifty percent (50%) or more;]

[[C]] (B) Each corporation which has been a member of the affiliated group during any part of the taxable year for which the Missouri consolidated return is to be filed consents to this rule in the manner provided in sections [[27]]–(29)] (24)–(26) of this rule; and

[[D]] (C) The affiliated group is not disqualified from filing a Missouri consolidated return for the year under section [[19]] (16) of this rule.

[[15]] (13) Election to File. For tax years with a due date for filing the common parent's Missouri return (including extensions of time to file) after December 28, 1998, [[/if an affiliated group qualified to file a Missouri consolidated return wishes to elect to file a Missouri consolidated return, the election must be exercised by the filing of a Missouri consolidated return on or before the due date (including extensions of time) for the filing of the common parent's separate Missouri return. For tax years with a due date for filing the common parent's Missouri return (including extensions of time to file) before December 28, 1998, an affiliated group qualified to file a Missouri consolidated return could elect to file a Missouri consolidated return by the filing of—

(A) A Missouri consolidated return on or before the due date (including extensions of time) for the filing of the common parent's separate Missouri return; or

(B) If the affiliated group did not file a Missouri consolidated return within such time because it was precluded from doing so under Missouri law, a Missouri consolidated return within the statute of limitations applicable to the filing of an amended return.

[[16]] (14) Election Irrevocable. The exercise of an election to file a Missouri consolidated return is irrevocable and may not be withdrawn after the due date (including extensions of time) for the filing of the common parent's separate Missouri return.

[[17]] Transitional Rule. For the special transitional rule with respect to taxable years ending before the filing of the first Missouri consolidated income tax regulation with the Office of the Missouri Secretary of State, see section (44) of this rule.]

[[18]] (15) Continued Filing Requirement. Except as provided in sections [[35]]–(38)] (32)–(35) of this rule, an affiliated group which filed (or was required to file) a Missouri consolidated return for the immediately preceding taxable year is required to file a Missouri consolidated return for the current taxable year [without regard to whether it derived fifty percent (50%) or more of

its Missouri consolidated taxable income (all sources) for the current year from sources within Missouri).

[(19)] (16) Disqualification to File. If an affiliated group filed (or was required to file) a Missouri consolidated return for the immediately preceding taxable year and, by virtue of sections *[(35)–(38)] (32)–(35)* of this rule, it does not file or is not permitted to file a Missouri consolidated return for the current taxable year, then it shall not be qualified to file a Missouri consolidated return for a period of five (5) years after its last preceding Missouri consolidated return year.

[(20)] (17) Filing Consolidated Return in Special Circumstances. Notwithstanding that an affiliated group may be disqualified to file a Missouri consolidated return for the current taxable year under section *[(19)] (16)* of this rule, the director of revenue *[him/herself, subject to the terms and conditions as s/he may prescribe,]* may permit the affiliated group to file a Missouri consolidated return for the current taxable year. Application for permission shall be directed to the personal attention of the director of revenue *[him/herself]*, shall be made in writing and shall set forth in detail the factual and legal arguments which the director of revenue is being requested to consider. No application for permission shall be *[deemed to be]* granted until the affiliated group receives written permission bearing the signature of the director of revenue *[him/herself]*.

[(21)] (18) Interstate Division of Income Rules for First Missouri Consolidated Return Year. In the determination of that portion of the Missouri consolidated taxable income (all sources) as is derived from sources within Missouri, the affiliated group shall select in its first Missouri consolidated return year, one (1) of the applicable interstate division of income methods set forth in the following subsection:

(A) Method Under Section 143.451.2., RSMo. If each member of the affiliated group, if filing separate Missouri returns, would qualify to determine that portion of its Missouri taxable income as is derived from sources within Missouri by application of the interstate division of income methods set forth in section 143.451.2., RSMo, then the affiliated group, as a whole, shall use either—

1. The single factor sales (business transactions) method provided in section 143.451.2., RSMo; or
2. The uniform method for division of income provided in the Multistate Tax Compact and the corresponding rules of the Missouri Department of Revenue;

(B) Method Under Section 143.451./4/3.–143.451.6., RSMo. If each member of the affiliated group, if filing separate Missouri returns, would qualify to determine that portion of its Missouri taxable income *[as is]* derived from sources within Missouri by application of the interstate division of income methods, set forth in section 143.451./4/3–143.451.6., RSMo (and each member uses the same method), then the affiliated group, as a whole, shall use either—

1. The applicable method set forth in section 143.451./4/3–143.451.6., RSMo; or
2. The uniform method for division of income provided in the Multistate Tax Compact and the corresponding rules of the Missouri Department of Revenue;

(C) Method Under Section 143.461, RSMo. If each member of the affiliated group, if filing separate Missouri returns, would qualify to determine that portion of its Missouri taxable income as is derived from sources within Missouri by application of the elective division of income method approved under section 143.461, RSMo (and each member uses the same approved method) then the affiliated group, as a whole, shall use either—

1. The elective division of income method approved under section 143.461, RSMo; or
2. The uniform method for division of income provided in the Multistate Tax Compact and the corresponding rules of the Missouri Department of Revenue;

(D) Members to Which Different Interstate Division of Income Methods Apply—General Rule. If the affiliated group is composed of a membership such that if separate Missouri returns were filed by each member, the same interstate division of income method under section 143.451.2., RSMo (relating to general business corporations), **143.451.3., RSMo (relating to transportation)**, 143.451.4., RSMo (relating to railroads, and the like), 143.451.5., RSMo (relating to interstate bridges), 143.451.6., RSMo (relating to telephone or telegraph companies) or 143.461, RSMo (other approved methods) would not apply to each member, then the affiliated group, as a whole, shall determine that portion of its Missouri consolidated taxable income (all sources) as is derived from sources within Missouri by application of—

1. The uniform method for division of income provided in the Multistate Tax Compact and the corresponding rules of the Missouri Department of Revenue; or

2. The percentage obtained by the method set forth in subsection *[(21)] (18)(E)* of this rule; and

(E) Members to Which Different Interstate Divisions of Income Methods Apply—Special Rule. If an affiliated group *[is of a type]* described in subsection *[(21)](18)(D)* of this rule and it elects to use the interstate division of income method referred to in paragraph *[(21)](18)(D)2.* of this rule, it shall arrive at an interstate division of income percentage in the following manner:

1. Each member shall determine its own federal taxable income (loss) for the year, computed as though **each member had filed** a separate federal income tax return *[had been filed by each member]* for the year. For the purposes of this paragraph, the separate federal taxable income (loss) of each member shall not reflect the deduction for net operating loss allowable by IRC Section 172 and shall not reflect dividend income from sources within Missouri;

2. Each member shall adjust its own separate federal taxable income (loss) so determined to reflect the modifications provided in sections 143.121 and 143.141, RSMo applicable to those members. If, as a result of the computation contained in this paragraph *[(21)](18)(E)2.*, a member has a separate Missouri taxable loss for the year, that member, for purposes of subsection *[(21)](18)(E)*, shall be considered to have had a positive Missouri taxable income for the year in an amount equal to the loss;

3. The amount determined pursuant to paragraphs *[(21)](18)(E)1.* and *2.*, for the purposes of subsection *[(21)](18)(E)*, shall be considered the separate Missouri taxable income (all sources) of each member for the year;

4. Each member shall determine that portion of its own separate Missouri taxable income (all sources) as is derived from sources within Missouri by application of whichever interstate division of income method under section 143.451 or 143.461, RSMo is applicable to each member; and

5. The combined amounts of the Missouri taxable income (Missouri sources) of each member, so determined, shall be divided by the combined amounts of the Missouri taxable income (all sources) of each member, so determined, to arrive at a percentage and the percentage thus obtained shall be deemed to be that percentage of the Missouri consolidated taxable income (all sources) as is derived from sources within Missouri.

[(22)] (19) Intercompany Transactions. For the purposes of determining the amount of sales or business transactions under the interstate division of income methods provided in sections 143.451.2. and 143.461, RSMo and in the Multistate Tax Compact, the term sales and business transactions shall include all intercompany sales (business transactions) as defined in Treas. Reg. Section 1.1502–13.

[(23)] (20) Subsequent Missouri Consolidated Return Years. In the determination of Missouri consolidated taxable income (Missouri sources) for its second and succeeding Missouri consolidated return years, the affiliated group shall use the same interstate division of income method as it used in its first year, *[unless the group is*

permitted to change its] method pursuant to section [(24)] (18) of this rule.

[(24)] (21) [Change] Election of Interstate Division of Income Method. [An affiliated group, upon written application to the director of revenue, may change its interstate division of income method if, by use of the new method, the interstate division of income percentage for the year of change, determined under section (21) of this rule, is fifty percent (50%) or more and the interstate division of income percentage, determined under section (21) of this rule, for each of the two (2) preceding Missouri consolidated return years would have been fifty percent (50%) or more.] **For any taxable year, the interstate division of income method may not be changed following the due date (including extensions of time) for filing the return for such year.**

[(A) The application shall be submitted on or before the due date (including extensions of time) for the filing of the Missouri consolidated return for the year of change. The application shall be directed to the personal attention of the director of revenue him/herself, shall be made in writing and shall set forth in detail all factual data in support of the requirements set forth in section (24). No application for permission shall be deemed to be granted until the affiliated group receives written permission bearing the signature of the director of revenue him/herself.]

[(25)] (22) Computation of Tax Liability. The Missouri income tax liability of an affiliated group for a Missouri consolidated return year shall be determined by adding together—

(A) The tax imposed by section 143.071, RSMo on the Missouri consolidated taxable income (Missouri sources) for each year;

(B) The additions to tax imposed by section 143.741, RSMo; [and]

(C) The additions to tax and penalties imposed by section 143.751, RSMo.; and

(D) The additions to tax imposed by section 143.761, RSMo.

[(26)] (23) Liability For Tax. The common parent corporation and each [subsidiary which was a] **required member which was a member** of the affiliated group during any part of the Missouri consolidated return year shall be jointly and severally liable for the tax computed in accordance with this rule, together with the interest on the tax, computed in accordance with section 143.731, RSMo. No agreement entered into by one (1) or more members of the affiliated group with any other member of the group or with any other person in any case shall have the effect of reducing the liability prescribed.

[(27)] (24) Consent to This Rule. [The consent of a corporation referred to in subsection (14)(C) of this rule shall be made by the corporation joining in the making of a Missouri consolidated return for the year.] Each [subsidiary] **required member [of an affiliated group, with respect to the first Missouri consolidated return year in which it is a member of the affiliated group, shall] must** execute a [Missouri] Form MO-22 (Authorization and Consent of Subsidiary Corporation to be Included in a Missouri Consolidated Income Tax Return) **for the first Missouri consolidated return year in which it first becomes a member of the affiliated group.** [The willful failure of a subsidiary member of an affiliated group] **If a required member fails** to execute a [Missouri] Form MO-22, [shall be deemed to constitute] **the director of revenue may: a) treat such failure as a request by the affiliated group to discontinue, for good cause, the filing of a Missouri consolidated return with respect to the year of the failure and all Missouri consolidated return years after that; b) recalculate the Missouri tax liability of the affiliated group to include the required member; or c) accept the return without the consent pursuant to section (25) of this regulation.** The affiliated

group[, however,] shall continue to be subject to section [(18)] (15) of this rule unless and until the director of revenue grants written permission to the affiliated group to discontinue the filing of Missouri consolidated returns.

[(28)] (25) Consent Under Facts and Circumstances. If a [subsidiary] **required member [of an affiliated group] fails** to execute a [Missouri] Form MO-22, the director of revenue may determine[, under the facts and circumstances,] that the member has joined in the making of the Missouri consolidated return of the affiliated group.

[(29)] (26) Failure to Consent Due to Mistake. If any **required member [of an affiliated group] has failed** to join in the making of a Missouri consolidated return and the common parent establishes to the satisfaction of the director of revenue that the failure was due to a mistake of law or fact, or to inadvertence, then the member shall be allowed to file a [Missouri] Form MO-22 and join in the making of the Missouri consolidated return.

[(30)] (27) Consolidated Return Made by Common Parent. The Missouri consolidated return shall be made by the common parent on [Missouri Form 20] **Form MO-1120 (Corporation Income Tax Return)** and shall be filed by the common parent.

[(31)] (28) Attachments to [Missouri] Form [20/MO-1120]. In addition to those matters required of all corporations, an affiliated group shall be required to submit the following items:

(A) [A] **For the first Missouri consolidated return year, a Form MO-22 [must be] executed by each [subsidiary] member of an affiliated group [and must be attached to the Missouri Form 20 for the first Missouri consolidated return year];**

(B) **For the second and succeeding Missouri consolidated return years, a [Missouri] Form MO-22 executed [must be filed] by each new required member of an affiliated group [which is a new member for the year]; [and]**

(C) **A detailed schedule i) identifying any members of the affiliated group that are not required members and the reason for exclusion, and ii) showing all adjustments to federal consolidated taxable income due to the exclusion of any members of the affiliated group that are not required members; and**

[(C)] (D) **The affiliated group shall attach to its [Missouri] Form MO-MS (Corporation Allocation and Apportionment of Income) a detailed schedule which the interstate division of income data of each member of the affiliated group is set forth.**

[(32)] (29) Common Parent as Agent for All Other Members. The common parent, for all purposes other than the making of the consent required by subsection [(14)(C)] (12)(B) of this rule, shall be the sole agent for each subsidiary member in the affiliated group, duly authorized to act in its own name in all matters relating to the Missouri tax liability for the Missouri consolidated return year. No subsidiary member shall have authority to act for or to represent itself in any matter. For example, all correspondence will be carried on directly with the common parent; the common parent shall file for all extensions of time, including extensions of time for payment of Missouri tax; notices of deficiencies will be mailed to the common parent and the mailing only to the common parent shall be considered as a mailing to each subsidiary member in the affiliated group; notice and demand for payment of taxes will be given only to the common parent and the notice and demand will be considered as a notice and demand to each subsidiary member; the common parent will file petitions and conduct proceedings before the director of revenue and the [State Tax Commission] **Administrative Hearing Commission;** and any petition shall be considered as also having been filed by each subsidiary. The common parent will file claims for refund or credit and any refund will be made directly to and in the name of the common parent and will discharge any liability of

Missouri in respect to that refund to any subsidiary member; and the common parent in its name will execute closing agreements and all other documents and any agreement or any other documents so executed shall be considered as having also been given or executed by each subsidiary member. Notwithstanding the provisions of this section, any notice of deficiency, in respect to the tax for a Missouri consolidated return year, will name each corporation which was a member of the affiliated group during any part of the period (but a failure to include the name of any member will not affect the validity of the notice of deficiency as to the other members); any notice and demand for payment will name each corporation which was a member of the affiliated group during any part of the period (but a failure to include the name of any member will not effect the validity of the notice and demand as to the other members); and any other proceeding to collect the amount of any assessment, after the assessment has been made, will name the corporation from which the collection is to be made. The provisions of this section shall apply whether or not a Missouri consolidated return is made for any subsequent year and whether or not one (1) or more subsidiaries have become or have ceased to become members of the affiliated group at any time. Notwithstanding the provisions of this section, the director of revenue, upon notifying the common parent, may deal directly with any subsidiary member of the affiliated group with respect to its liability, in which event that member shall have full authority to act for itself.

[(33)] (30) Notification of Deficiency to Corporation Which Has Ceased to be a Member of an Affiliated Group. If a subsidiary has ceased to be a member of an affiliated group and if the subsidiary files written notice of the cessation with the director of revenue, then the director of revenue, upon written request of that subsidiary, will furnish it with a copy of any notice of deficiency with respect to the tax for a Missouri consolidated return year for which it was a member and a copy of any notice and demand for payment of the deficiency. The filing of the written notification and request by a subsidiary corporation shall not *[have the effect of limiting]* **limit** the scope of the agency of the common parent provided in section **[(32)] (29)** of this rule. *[and a f]* Failure by the director of revenue to comply with the written request shall not *[have the effect of limiting]* **limit** the liability of the corporation provided in section **[(26)] (29)** of this rule.

[(34)] (31) Effect of Dissolution of Common Parent. If a common parent contemplates dissolution, or is about to be dissolved, or if for any other reason its existence is about to terminate, it shall notify the director of revenue of that fact and designate, subject to the approval of the director of revenue, another member of the affiliated group to act as agent in its place to the same extent and subject to the same conditions and limitations as are applicable to the common parent. If the notice thus required is not given by the common parent, or the designation is not approved by the director of revenue, the remaining members of the affiliated group, subject to the approval of the director of revenue, may designate another member of the group to act as the agent and notice of that designation shall be given to the director of revenue. Until a notice in writing designating a new agent has been approved by the director of revenue, any notice of deficiency or other communication mailed to the common parent shall be considered as having been properly mailed to the agent of the affiliated group; or if the director of revenue has reason to believe that the existence of the common parent has terminated, if s/he deems it advisable, s/he may deal directly with any member of the affiliated group with respect to its Missouri consolidated tax liability.

[(35)] (32) Automatic Termination of Right to File Missouri Consolidated Return. The right of an affiliated group to file a Missouri consolidated return for the taxable year shall be dependent upon that group filing a federal consolidated return for the same year.

Upon the discontinuance of the filing of a federal consolidated return, the filing of a Missouri consolidated return shall similarly be discontinued.

[(36)] (33) Permission to Discontinue Filing Missouri Consolidated Return—Substantial Change in Law or Regulation. Upon timely written application to the director of revenue, an affiliated group may discontinue the filing of a Missouri consolidated return for the taxable year (or may withdraw a Missouri consolidated return previously filed for the taxable year) if the net result of all amendments to *[sections 143.011–143.996, RSMo]* **applicable law** and the corresponding rules with effective dates commencing within the taxable year has a substantial adverse effect on the Missouri consolidated tax liability of the affiliated group for that year relative to what the aggregate Missouri tax liability would be if the members of the affiliated group filed separate Missouri returns for the year.

(A) *Prima Facie* Substantial Change. The difference between the Missouri consolidated tax liability, taking into account the changes in the law or regulations effective for the year and the aggregate Missouri tax liability of the members of the affiliated group computed as if each member filed a separate Missouri return for the year, also taking into account the changes in the law or regulations effective for the year (postlaw difference) shall be compared with the difference between the Missouri consolidated tax liability of the affiliated group for the taxable year, without regard to the changes in the law or regulations, and the aggregate Missouri tax liability of the members of the affiliated group computed as if separate Missouri returns had been filed by the members for the year, also without regard to the changes in the law or regulations (prelaw difference). If the postlaw difference is one hundred fifteen percent (115%) greater than the prelaw difference and that difference is at least five thousand dollars (\$5,000), a substantial adverse change shall be deemed to have occurred.

(B) Timely Application. Any application to discontinue the filing of Missouri consolidated returns on account of section **[(36)] (33)** shall be made in writing to the director of revenue on or before the later of—

1. The due date (including extensions of time) for the filing of the Missouri consolidated return for the taxable year; or
2. Ninety (90) days after the effective date of the Missouri law or Missouri Department of Revenue regulation on account of which a substantial change is alleged to have occurred.

[(37)] (34) Permission to Discontinue Filing Missouri Consolidated Returns For Good Cause. Upon the timely written application by the affiliated group and upon showing of good cause for the action, the director of revenue may permit the affiliated group to discontinue the filing of Missouri consolidated returns upon the terms and conditions as s/he may prescribe. **Any application for permission to discontinue the filing of Missouri consolidated return on account of section (34) shall be made to the director of revenue on or before the due date (including extensions of time) for the filing of the Missouri consolidated return for the year.**

[(A) Fifty Percent (50%) Rule as Good Cause. For purposes of section (37), good cause shall be deemed to exist if the interstate division of income percentage of the affiliated group, determined under section (21) of this rule, is less than fifty percent (50%) for the Missouri consolidated return year with respect to which permission to discontinue filing is requested and for each of the three (3) preceding years.

[(B) Timely Application. Any application for permission to discontinue the filing of a Missouri consolidated return on account of section (37) shall be made to the director of revenue on or before the due date (including extensions of time) for the filing of the Missouri consolidated return for the year.]

[(38)] (35) Revocation of Right to File Missouri Consolidated Return. The director of revenue, upon finding that the filing of Missouri consolidated returns by the affiliated group does not clearly reflect the Missouri taxable income derived from sources within Missouri and for the purpose of preventing avoidance of Missouri tax liability, may terminate the right of an affiliated group to continue the filing of Missouri consolidated returns or, in the alternative, *[s/he]* may distribute, apportion or allocate items of income, deductions, credits or allowances between or among the members of the affiliated group so that the portion of the Missouri consolidated taxable income (all sources) as is derived from sources within Missouri is clearly reflected. The procedure outlined in sections 143.611–143.691, RSMo inclusive, shall be applicable to actions of the director of revenue under **this** section *[(38)]*.

[(39)] (36) Estimated Tax on Consolidated Basis. Beginning with its third Missouri consolidated return year, an affiliated group shall file its declaration of estimated tax on a consolidated basis for that year and for each subsequent Missouri consolidated return year. The group shall be treated as a single corporation for purposes of sections 143.531 and 143.541, RSMo (relating to the declaration and payment of estimated tax). If separate Missouri returns are filed by the members for a taxable year, the amount of any estimated tax payments made with respect to a Missouri consolidated declaration of estimated tax for that year shall be credited against the separate Missouri tax liabilities of the members in any manner designated by the common parent which is satisfactory to the director of revenue. The consolidated declaration of estimated tax shall be filed and payment shall be made by the common parent.

[(40)] (37) Estimated Tax on Separate Basis. For each taxable year preceding the third Missouri consolidated return year, each member of the affiliated group shall be treated as a separate corporation for the purposes of sections 143.531 and 143.541, RSMo. For the first two (2) Missouri consolidated return years, the amount of any estimated tax payments made for the year by the members of the affiliated group shall be credited against the Missouri consolidated tax liability of the affiliated group for that year. A statement shall be attached to the declaration setting forth the name, address and federal employer identification number of each member of the affiliated group as well as the amount of declaration of estimated tax payments by each member together with the date of each payment.

[(41)] (38) Additions to Tax For Failure to Pay Estimated Tax on Consolidated Basis. If the affiliated group is required to file a Missouri consolidated declaration of estimated tax under section *[(39)] (36)* of this rule, then, if the group—

(A) Files a Missouri consolidated return for the taxable year with the term tax shown on the return, for the purposes of section 143.761.4(1), RSMo, the tax shall be shown on the Missouri consolidated return for the preceding taxable year, and the term facts shown on the return, for purposes of section 143.761.4(4), RSMo, the facts shall be shown on the Missouri consolidated return for the preceding taxable year; or

(B) Does not file a Missouri consolidated return for the taxable year, the term amount, if any, of the installment paid by any member, for the purposes of section 143.761.2(2), RSMo, an amount shall be apportioned to that member in a manner designated by the common parent which is satisfactory to the director of revenue. For the purposes of section 143.761.4(1), RSMo, the tax shown on the return for any member shall be the portion of the tax shown on the Missouri consolidated return for the preceding year allocated to that member in a manner designated by the common parent which is satisfactory to the director of revenue. For purposes of section 143.761.4(4), RSMo, the facts shown on the return shall be the facts shown on the Missouri consolidated return for the preceding year and the tax computed under that section shall be allocated to the mem-

bers in a manner designated by the common parent *[which is]* and satisfactory to the director of revenue.

[(42)] (39) Additions to Tax For Failure to Pay Estimated Tax on Separate Basis. If the members of an affiliated group are treated as separate corporations for the taxable year under section *[(40)] (37)* of this rule and the affiliated group files a Missouri consolidated return for the year, then, for the purposes of section 143.761.2(1), RSMo, the tax shown on the return for any member shall be the portion of the tax shown on the Missouri consolidated return allocable to that member in a manner designated by the common parent *[which is]* and satisfactory to the director of revenue.

[(43) Applicability of Other Laws. Any matter in the determination of which the provisions of this rule are not applicable shall be determined in accordance with sections 143.011–143.996, RSMo and corresponding rules.

(44) Transitional Rules. The rules set forth in this section only shall apply during the transition period. For the purposes of this section, the term transition period shall mean a period of time beginning with the effective date of sections 143.011–143.996, RSMo and ending on the ninety-first day after the first Missouri consolidated income tax regulation (1.431-3) is filed with the secretary of state of Missouri.

(A) A Missouri consolidated return which has been filed with the director of revenue but did not have attached to it a Missouri Form 22 for each subsidiary member of the affiliated group shall be a valid Missouri consolidated return only if properly executed Missouri Forms 22 are filed for each member during the transition period.

(B) A Missouri consolidated income tax return which has been filed with the director of revenue may be withdrawn by the affiliated group during the transition period and separate Missouri returns shall be filed in lieu of the consolidated return by each member which is subject to Missouri income taxation.

(C) Any qualified affiliated group (other than an affiliated group which has a taxable year containing parts of the years 1972 and 1973) may file a Missouri consolidated return during the transition period and any payments of tax made by the members of the affiliated group on their separate Missouri returns for the year shall be credited against the Missouri consolidated income tax liability of the affiliated group in the same manner as if they constituted payments of declaration of estimated tax with respect to the first Missouri consolidated return year.]

AUTHORITY: section 143.431.3(5), RSMo [1986] 2000. Regulation 1.431-3 was first filed July 21, 1975, effective July 31, 1975. Amended: Filed Oct. 16, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Revenue, Office of Legislation and Regulations, PO Box 629, Jefferson City, MO 65105. To be considered, comments must be received within thirty (30) days after publication of this notice in the **Missouri Register**. No public hearing is scheduled.

**Title 12—DEPARTMENT OF REVENUE
Division 10—Director of Revenue
Chapter 41—General Tax Provisions**

PROPOSED AMENDMENT

12 CSR 10-41.010 Annual Adjusted Rate of Interest. The department proposes to amend section (1).

PURPOSE: Under the Annual Adjusted Rate of Interest (section 32.065, RSMo), this amendment establishes the 2003 annual adjusted rate of interest to be implemented and applied on taxes remaining unpaid during calendar year 2003.

(1) Pursuant to section 32.065, RSMo, the director of revenue, upon official notice of the average predominant prime rate quoted by commercial banks to large businesses, as determined and reported by the Board of Governors of the Federal Reserve System in the Federal Reserve Statistical Release [G. 13(415)] H.15(519) for the month of September of each year, has set by administrative order the annual adjusted rate of interest to be paid on unpaid amounts of taxes during the succeeding calendar year as follows:

Calendar Year	Rate of Interest on Unpaid Amounts of Taxes
1995	12%
1996	9%
1997	8%
1998	9%
1999	8%
2000	8%
2001	10%
2002	6%
2003	5%

AUTHORITY: section 32.065, RSMo 2000. Emergency rule filed Oct. 13, 1982, effective Oct. 23, 1982, expired Feb. 19, 1983. Original rule filed Nov. 5, 1982, effective Feb. 11, 1983. For intervening history, please consult the Code of State Regulations. Emergency amendment filed Nov. 15, 2002, effective Jan. 1, 2003, expires June 29, 2003. Amended: Filed Nov. 15, 2002.

PUBLIC COST: This proposed amendment will not cost the state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Revenue, Office of Legislation and Regulations, PO Box 629, Jefferson City, MO 65105-0629. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—Division of Medical Services
Chapter 60—Durable Medical Equipment Program**

PROPOSED RULE

13 CSR 70-60.010 Durable Medical Equipment Program

PURPOSE: This rule establishes the regulatory basis for the administration of the Medicaid durable medical equipment program, des-

ignation of professional persons who may dispense durable medical equipment and the method of reimbursement for durable medical equipment. This rule provides for such methods and procedures relating to the utilization of, and the payment for, care and services available under the Medicaid program as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area. Specific details of the conditions for provider participation, criteria and methodology of provider reimbursement, recipient eligibility and amount, duration and scope of services covered are included in the durable medical equipment provider program manual which is incorporated by reference in this rule and available at the website www.medicaid.state.mo.us.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) Administration. The Medicaid durable medical equipment (DME) program shall be administered by the Department of Social Services, Division of Medical Services. The services and items covered and not covered, the program limitations and the maximum allowable fees for all covered services shall be determined by the Department of Social Services, Division of Medical Services and shall be included in the DME provider manual, which is incorporated by reference in this rule and available through the Department of Social Services, Division of Medical Services website at www.medicaid.state.mo.us. The division reserves the right to affect changes in services, limitations and fees with notification to DME providers.

(2) Persons eligible. Any person who is eligible for Title XIX benefits as determined by the Division of Family Services is eligible for DME when the DME is medically necessary as determined by the treating physician.

(3) Reimbursement. Payment will be made for each unit of service or item provided in accordance with the fee schedule determined by the Division of Medical Services. Reimbursement will not exceed the lesser of the maximum allowed amount determined by the Division of Medical Services or the provider's billed charge. Reimbursement for DME services is made on a fee-for-service basis. The Medicaid maximum allowable fee for a unit of service has been determined by the Division of Medical Services to be a reasonable fee, consistent with efficiency, economy, and quality of care. Sales tax is not covered by Medicaid, nor can it be billed to the recipient. Providers must accept the Medicaid payment as the full and complete payment and may not accept additional payment from the recipient. Charges for shipping, freight, COD, handling, delivery and pickup are included in the reimbursement for items covered under the DME program and are not billable to the Medicaid recipient.

(4) Definition for Durable Medical Equipment. DME is equipment that can withstand repeated use, is primarily and customarily used to serve a medical purpose, generally is not useful to a person in the absence of an illness or injury, and is appropriate for use in the home. All requirements of the definition must be met in order for the equipment to be covered by Medicaid.

(5) Provider Participation.

(A) The following types of providers may be reimbursed by Medicaid for items covered under the DME program if they are enrolled Medicaid providers: rental and sales providers, prosthetic fabricators, rehabilitation centers, orthotic fabricators, physicians (includes M.D., D.O., podiatrists—may dispense orthotic devices and artificial larynx), pharmacies and hospitals.

(B) The enrolled Medicaid provider shall agree to:

1. Keep any records necessary to disclose the extent of services the provider furnishes to recipients; and

2. On request furnish to the Medicaid agency or State Medicaid Fraud Control Unit any information regarding payments claimed by the provider for furnishing services under the plan.

(6) Covered Services. It is the provider's responsibility to determine the coverage benefits for a Medicaid eligible recipient based on his or her type of assistance as outlined in the DME manual. Reimbursement will be made to qualified participating DME providers only for DME items, determined by the recipient's treating physician to be medically necessary, and shall include but not be limited to: prosthetics; orthotics; oxygen and respiratory care equipment; parenteral nutrition; ostomy supplies; wheelchairs; augmentative communication devices; and hospital beds. Specific procedure codes that are covered under the DME program are listed in Section 19 of the DME provider manual, which is incorporated by reference in this rule. These items must be for use in the recipient's home when ordered in writing by the recipient's physician or nurse practitioner. Although an item is classified as DME, it may not be covered in every instance. Coverage is based on the fact that the item is reasonable and necessary for treatment of the illness or injury, or to improve the functioning of a malformed or permanently inoperative body part and the equipment meets the definition of DME. Even though a DME item may serve some useful, medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for Medicaid to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should be given by the physician and the DME supplier as to whether the item serves essentially the same purpose as equipment already available to the recipient. If two (2) different items each meet the need of the recipient, the less expensive item must be employed, all other conditions being equal.

(7) Documentation. The DME provider and physician shall document how they determined what was the least expensive, feasible alternative for treatment of the illness or injury, or to improve the functioning of a malformed or permanently inoperative body part.

(8) Durable medical equipment for recipients who are in a nursing facility or inpatient hospital. DME is not covered for those recipients residing in a nursing home. DME is included in the nursing home per diem rate and not paid for separately with the exception of augmentative communication devices, custom and power wheelchairs, orthotic and prosthetic devices, total parenteral nutrition, and volume ventilators. DME that is used while the recipient is in inpatient hospital care is not paid for separately under the DME program. These costs are recognized as part of the hospital's inpatient per diem rate.

(9) Non-Covered Items. Missouri Medicaid does not cover items which primarily serve the following purposes: personal comfort, convenience, education, hygiene, safety, cosmetic, new equipment of unproven value, and equipment of questionable current usefulness or therapeutic value. Specific items which are generally not covered can be found in Section 13.32 of the DME manual. Examples of non-covered items are: air conditioners, computers (unless determined to be used for an augmentative communication device), electric bathtub lifts, elevators, furniture, toys, home modifications, refrigerators, seat lift chairs, stair lifts or glides, treadmill, water softening systems, wheelchair lifts, wheelchair ramps, whirlpool tubs or pumps.

(10) Medicare/Medicaid Crossovers. For recipients having both Medicare and Medicaid eligibility, the state Medicaid program pays the lesser of the amounts indicated by Medicare to be deductible and/or coinsurance due on the Medicare allowed amount or the difference between the amount paid by Medicare and the Medicaid allowed amount.

(11) Records Retention. These records must be retained for five (5) years from the date of service. Fiscal and medical records coincide with and fully document services billed to the Medicaid agency. Providers must furnish or make the records available for inspection or audit by the Department of Social Services or its representative upon request. Failure to furnish, reveal or retain adequate documentation for services billed to the Medicaid program, as specified above, is a violation of this regulation.

AUTHORITY: sections 208.153 and 208.201, RSMo 2000. Original rule filed Nov. 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule represents an estimated maximal potential cost to DME providers of service of \$1,900,000 for State Fiscal Year (SFY) 2003 and \$2,400,000 for SFY 2004.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Social Services, Division of Medical Services, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication in the Missouri Register. If to be hand-delivered, comments must be brought to the Division of Medical Services at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

FISCAL NOTE

PRIVATE COST

I. RULE NUMBER

Rule Number and Name:	13 CSR 70-60.010 Durable Medical Equipment Program
Type of Rulemaking:	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
1,227	Medicaid Enrolled Durable Medical Equipment Dealers	SFY 2003 - \$1.9 million SFY 2004 - \$2.4 million

III. WORKSHEET

Reimbursement methodology for services is changing as follows:

- Reimbursement for power and custom wheelchairs, and augmentive communication devices are reduced by five percent (5%).
- Reimbursement for oxygen is reduced by five percent (5%).
- Reimbursement for supplies is reduced from cost plus twenty-five percent (25%) for Health Children and Youth (HCY) supplies and cost plus thirty-five percent (35%) for ostomy supplies to cost plus twenty percent (20%).
- Reimbursement for total parental nutrition and other equipment and related supplies is reduced to equal the Medicare fee schedule.
- Reimbursement for event recorders, pneumograms, and apnea monitors will be combined into a single rate
- Other supplies and equipment will be reimbursed according to a statewide fee schedule.

IV. ASSUMPTIONS

Medicaid costs for durable medical equipment for State Fiscal Year (SFY) 02 was calculated based on paid Medicaid claims data. Medicaid costs for SFY03 were projected based on utilization rates for each type of supply or equipment, multiplied by the new reimbursement levels. The difference in cost is a savings to the State of Missouri and is a cost or reduction of profit level to private providers of

durable medical equipment. The implementation of a fee schedule for some items of equipment and supplies is budget neutral as the fee is based on the average reimbursement.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—Division of Medical Services
Chapter 65—Rehabilitation Center Program**

PROPOSED RULE

13 CSR 70-65.010 Rehabilitation Center Program

PURPOSE: This rule establishes the regulatory basis for the administration of the rehabilitation center program. This rule provides for such methods and procedures relating to the utilization of, and the payment for, care and services available under the Medicaid program as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area. Specific details of provider participation, criteria and methodology for provider reimbursement, recipient eligibility, and amount, duration and scope of services covered are included in the rehabilitation center provider manual which is incorporated by reference in this rule and available at the website www.medicaid.state.mo.us.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) Administration. The Missouri Medicaid rehabilitation center program shall be administered by the Department of Social Services, Division of Medical Services. The rehabilitation center services covered and not covered, the limitations under which services are covered, and the maximum allowable fees for all covered services shall be determined by the Division of Medical Services and shall be included in the rehabilitation center provider manual, which is incorporated by reference in this rule and available through the Department of Social Services, Division of Medical Services website at www.medicaid.state.mo.us. Rehabilitation center services shall include only those that are clearly shown to be medically necessary as determined by the treating physician. The division reserves the right to affect changes in services, limitations and fees with notification to rehabilitation center providers.

(2) Persons eligible. The Missouri Medicaid Rehabilitation Program pays for the adaptive training of Medicaid recipients who receive a prosthetic/orthotic device. In addition, rehabilitation centers may provide physical, occupational, and speech therapy to children under the age of twenty-one (21) when medically necessary as determined by the treating physician. The Omnibus Reconciliation Act of 1989 (OBRA-89) mandated that Medicaid covered services be provided based on medical necessity as determined by the treating physician in a healthy children and youth screening. The recipient must be eligible on the date service is furnished. Recipients may have specific limitations to rehabilitation center program services according to the type of assistance for which they have been determined eligible. It is the provider's responsibility to determine the coverage benefits for a recipient based on his or her type of assistance as outlined in the rehabilitation center provider manual. The provider shall ascertain the patient's Medicaid/MC+ status before any service is performed. The recipient's eligibility shall be verified in accordance with methodology outlined in the rehabilitation center provider manual.

(3) Provider Participation.

(A) To be eligible for participation in the Missouri Medicaid rehabilitation center program, a provider must meet the criteria specified for his or her profession as outlined in the rehabilitation center provider manual and be an enrolled Medicaid provider.

(B) The enrolled Medicaid provider shall agree to:

1. Keep any records necessary to disclose the extent of services the provider furnishes to recipients; and

2. On request furnish to the Medicaid agency or State Medicaid Fraud Control Unit any information regarding payments claimed by the provider for furnishing services under the plan.

(4) Covered Services. The recipient shall have a referral for covered services from a Medicaid enrolled primary care provider.

(5) Reimbursement. Payment will be made in accordance with the fee per unit of service as defined and determined by the Division of Medical Services. Providers must bill their usual and customary charge for rehabilitation center services. Reimbursement will not exceed the lesser of the maximum allowed amount determined by the Division of Medical Services or the provider's billed charges. Rehabilitation services are only payable to an enrolled, eligible, participating provider.

(6) Documentation. For physical, occupational and speech therapy services, the Division of Medical Services requires that the following documentation be included in the recipient's record:

(A) Recipient's complete name;

(B) Date the service was provided;

(C) Actual treatment provided for the recipient (more than "treatment given") on the specific date of service;

(D) Individual or group therapy (the provider must document the type of therapy given);

(E) The time the service was delivered must be clearly documented in the client record (e.g., 4:00-4:15 p.m.); providers cannot bill for charting time, only the time they spend doing the therapy;

(F) The signature of the therapist who provided the service; and

(G) The official Individual Education Plan (IEP) or Individual Family Services Plan (IFSP) which must be in the record when billing therapy with a WQ modifier.

(7) Records Retention. These records must be retained for five (5) years from the date of service. Fiscal and medical records coincide with and fully document services billed to the Medicaid agency. Providers must furnish or make the records available for inspection or audit by the Department of Social Services or its representative upon request. Failure to furnish, reveal or retain adequate documentation for services billed to the Medicaid program, as specified above, is a violation of this regulation.

AUTHORITY: sections 208.153 and 208.201, RSMo 2000. Original rule filed Nov. 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule represents an estimated maximal potential cost to rehabilitation center providers of service of one hundred eight thousand dollars (\$108,000) for State Fiscal Year (SFY) 2003 and one hundred sixty-two thousand dollars (\$162,000) for SFY 2004.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Social Services, Division of Medical Services, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication in the Missouri Register. If to be hand-delivered, comments must be brought to the Division of Medical Services at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

FISCAL NOTE**PRIVATE COST****I. RULE NUMBER**

Rule Number and Name:	13 CSR 70-65.010 Rehabilitation Center Program
Type of Rulemaking:	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
36	Medicaid Enrolled Rehabilitation Centers	SFY 2003 - \$108,000 SFY 2004 - \$162,000

III. WORKSHEET

Reimbursement rates for rehabilitation centers providing Medicaid services are reduced by 50 cents per quarter hour.

IV. ASSUMPTIONS

Cost to the state of Missouri during State Fiscal Year (SFY) 2002 for rehabilitation centers was calculated base on Medicaid paid claims data. Projected cost for SFY03 was based on utilization rate for services multiplied by the new reimbursement levels. The difference in projected cost for SFY03 and SFY02 is a savings to the State of Missouri and is a cost or reduction in profit margin to private providers of service.

**Title 13—DEPARTMENT OF SOCIAL SERVICES
Division 70—Division of Medical Services
Chapter 70—Therapy Program**

PROPOSED RULE

13 CSR 70-70.010 Therapy Program

PURPOSE: This rule establishes the regulatory basis for the administration of the therapy program. This rule provides for such methods and procedures relating to the utilization of, and the payment for, care and services available under the Medicaid program as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area. Specific details of provider participation, criteria and methodology for provider reimbursement, recipient eligibility, and amount, duration and scope of services covered are included in the therapy provider program manual, which is incorporated by reference in this rule and available at the website www.medicaid.state.mo.us.

PUBLISHER'S NOTE: The secretary of state has determined that the publication of the entire text of the material which is incorporated by reference as a portion of this rule would be unduly cumbersome or expensive. Therefore, the material which is so incorporated is on file with the agency who filed this rule, and with the Office of the Secretary of State. Any interested person may view this material at either agency's headquarters or the same will be made available at the Office of the Secretary of State at a cost not to exceed actual cost of copy reproduction. The entire text of the rule is printed here. This note refers only to the incorporated by reference material.

(1) Administration. The Missouri Medicaid therapy program shall be administered by the Department of Social Services, Division of Medical Services. The therapy services covered and not covered, the limitations under which services are covered, and the maximum allowable fees for all covered services shall be determined by the Division of Medical Services and shall be included in the therapy provider manual, which is incorporated by reference in this rule and available through the Department of Social Services, Division of Medical Services website at www.medicaid.state.mo.us. Therapy services shall include only those which are clearly shown to be medically necessary as determined by the treating physician. The division reserves the right to affect changes in services, limitations and fees with notification to therapy providers.

(2) Persons Eligible. Medically necessary therapy services as determined by the treating physician are covered for individuals under the age of twenty-one (21). The Healthy Children and Youth (HCY) Program (also known as Early Periodic Screening, Diagnosis, and Treatment (EPSDT)) ensures a comprehensive, preventive health care program for Medicaid eligible children under the age of twenty-one (21) years. The Omnibus Budget Reconciliation Act of 1989 (OBRA-89) mandated that Medicaid covered services be provided, based on medical necessity as identified in a HCY (EPSDT) screening. These services include physical, occupational, and speech/language therapy services. The recipient must be eligible on the date the service is furnished. Recipients may have specific limitations to therapy program services according to the type of assistance for which they have been determined eligible. It is the provider's responsibility to determine the coverage benefits for a recipient based on their type of assistance as outlined in the therapy provider manual. The provider shall ascertain the patient's Medicaid/MC+ status before any service is performed. The recipient's eligibility shall be verified in accordance with methodology outlined in the therapy provider program manual.

(3) Provider Participation.

(A) To be eligible for participation in the Missouri Medicaid therapy program, a provider must meet the criteria specified for his or her profession as outlined in the therapy provider program manual and be an enrolled Medicaid provider.

(B) The enrolled Medicaid provider shall agree to:

1. Keep any records necessary to disclose the extent of services the provider furnishes to recipients; and

2. On request furnish to the Medicaid agency or State Medicaid Fraud Control Unit any information regarding payments claimed by the provider for furnishing services under the plan.

(4) Covered Services. The recipient shall have a referral for covered services from a Medicaid enrolled primary care provider.

(5) Reimbursement. Payment will be made in accordance with the fee per unit of service as defined and determined by the Division of Medical Services. Providers must bill their usual and customary charge for therapy services. Reimbursement will not exceed the lesser of the maximum allowed amount determined by the Division of Medical Services or the provider's billed charges. Physical, occupational and speech therapy services are only payable to the enrolled, eligible, participating provider. The Medicaid program cannot reimburse for services performed by non-enrolled persons.

(6) Documentation. For physical, occupational and speech therapy services, the Division of Medical Services requires that the following documentation be included in the recipient's record:

(A) Recipient's complete name;

(B) Date the service was provided;

(C) Actual treatment provided for the recipient (more than "treatment given") on the specific date of service;

(D) Individual or group therapy (the provider must document the type of therapy given);

(E) The time the service was delivered must be clearly documented in the client record (e.g., 4:00-4:15 p.m.); providers cannot bill for charting time, only the time they spend doing the therapy;

(F) The signature of the therapist who provided the service; and

(G) The official Individual Education Plan (IEP) or Individual Family Services Plan (IFSP) which must be in the record when billing therapy with a WQ modifier.

(7) Records Retention. These records must be retained for five (5) years from the date of service. Fiscal and medical records coincide with and fully document services billed to the Medicaid agency. Providers must furnish or make the records available for inspection or audit by the Department of Social Services or its representative upon request. Failure to furnish, reveal or retain adequate documentation for services billed to the Medicaid program, as specified above, is a violation of this regulation.

AUTHORITY: sections 208.153 and 208.201, RSMo 2000. Original rule filed Nov. 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule represents an estimated maximum potential cost to therapy providers of service of \$1,300,000 for State Fiscal Year (SFY) 2003 and \$2,000,000 for SFY 2004.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Department of Social Services, Division of Medical Services, 615 Howerton Court, Jefferson City, MO 65109. To be considered, comments must be received within thirty (30) days after publication in the Missouri Register. If to be hand-delivered, comments must be brought to the Division of Medical Services at 615 Howerton Court, Jefferson City, Missouri. No public hearing is scheduled.

FISCAL NOTE**PRIVATE COST****I. RULE NUMBER**

Rule Number and Name:	13 CSR 70-70.010 Therapy Program
Type of Rulemaking:	Proposed Rule

II. SUMMARY OF FISCAL IMPACT

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
3,509	Medicaid Enrolled Physical, Occupational, and Speech Therapists	SFY 2003 -\$1.3 million SFY 2004 -\$2 million

III. WORKSHEET

Reimbursement rates for independent physical, occupational and speech therapy providers of Medicaid services are reduced by fifty cents (50 cents) per quarter hour.

IV. ASSUMPTIONS

Cost to the state of Missouri during State Fiscal Year (SFY) 2002 for physical, occupational and speech therapy was calculated base on Medicaid paid claims data. Projected cost for SFY03 was based on utilization rate for services multiplied by the new reimbursement levels. The difference in projected cost for SFY03 and SFY02 is a savings to the State of Missouri and is a cost or reduction in profit margin to private providers of service.

**Title 15—ELECTED OFFICIALS
Division 30—Secretary of State
Chapter 200—State Library**

PROPOSED RULE

15 CSR 30-200.030 Public Access Computers in Public Libraries

PURPOSE: This rule establishes procedures for the administration of public library public access computers for the purposes of limiting access to material that is pornographic to minors. These procedures are administered by the state librarian under the direction of the secretary of state.

(1) Definitions. As used in this rule, the following terms shall mean:

(A) "Public library" is a library established and maintained under the provisions of the library laws or other laws of the state related to libraries, primarily supported by public funds and designed to serve the general public. A public library must be legally established according to the provisions of current or other laws of the state related to libraries;

(B) "Secretary" is the Missouri secretary of state;

(C) "State librarian" is the Missouri state librarian;

(D) "Pornographic for minors," as that term is defined in section 573.010, RSMo;

(E) "Minor," as that term is defined in section 573.010, RSMo;

(F) "Public access computer," as that term is defined in section 182.825, RSMo.

(2) The state librarian will administer procedures in accordance with the provisions set forth herein and in applicable state laws.

(3) One (1) of the following requirements must be met by a public library in regards to limiting access to material that is pornographic to minors:

(A) A public library must equip any public access computer with software that will limit minors' ability to gain access to material that is pornographic for minors or purchase Internet connectivity from an Internet service provider that provides filter services to limit access to material that is pornographic for minors; or

(B) Develop and implement by January 1, 2003, a policy that is consistent with community standards and establishes measures to restrict minors from gaining computer access to material that is pornographic for minors.

(4) Certification of Compliance.

(A) In order to be found in compliance with the state library's rule, a public library must certify itself to be in compliance:

1. By filing a certification form, designated by the state library and posted on the state library's website <http://www.sos.state.mo.us/library/>, with the state librarian or his/her designee; and

2. One or the other of the following:

A. Attaching a copy of the library's Internet usage policy; or

B. Naming the filtering software to be used.

(B) This certification is to be submitted—

1. In the first year of certification, by the date set by the Missouri State Library.

2. Each subsequent year, by the date state aid forms are required to be filed.

(5) Noncompliance.

(A) Any "public library or public library board member, officer, employee or trustee" not willing to submit such certification of compliance will be found noncompliant with this rule.

(6) Compliance forms, designated by the state library and available on the state library's website <http://www.sos.state.mo.us/library/>, should be filed with the State Library, which is located in Room 200

of the James C. Kirkpatrick State Information Center, 600 West Main Street, Jefferson City, Missouri.

(7) Public libraries filing certification should include in their filing a signed and dated copy of the appropriate compliance form as well as all required paperwork which includes the following—

(A) Compliance form available on the state library's website <http://www.sos.state.mo.us/library/>;

(B) Copy of:

1. Library's Internet Usage Policy; or

2. Name of the Internet filtering software in place on public access computers in the library.

AUTHORITY: sections 182.825 and 182.827, RSMo Supp. 2002. Emergency rule filed Nov. 13, 2002, effective Nov. 23, 2002, expires April 29, 2003. Original rule filed Nov. 13, 2002.

PUBLIC COST: This proposed rule may cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate. An accurate estimate cannot be made at this time as libraries have several options in complying with this rule, and, in the case of appropriate filtering software, will have a range of softwares from which to choose for a varying number of public access computers.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Office of the State Librarian, Library Development Division, Donnell Sutherland, Library Consultant, PO Box 387, Jefferson City, MO 65102-0387. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. A public hearing is scheduled for 10:00 a.m., January 10, 2003 in the Roy Blunt Conference Room in the James C. Kirkpatrick State Information Center, 600 W. Main St., Jefferson City, Missouri.

SPECIAL NEEDS: If you have any special needs addressed by the Americans With Disabilities Act, please notify us at (573) 751-2751 at least five (5) working days prior to the hearing.

FISCAL NOTE PUBLIC COST

I. RULE NUMBER

Rule Number and Name:	15 CSR 30-200.030
Type of Rulemaking:	Proposed

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Secretary of State - State Library	unknown
145 Public libraries and Municipal libraries	unknown

III. WORKSHEET

IV. ASSUMPTIONS

It is not possible to project a total cost to public libraries to install filtering software. Costs for filtering software vary widely by vendor and type, number of computer stations, and whether the software is installed on each 'client' computer workstation or on a central server. The web pages of a sampling of filtering software vendors indicate approximate annual costs in the following ranges: \$150 for a site with 5 computers; \$500 to \$800 for 25 computers; and up to \$2500 or more for a site with 125 computers. Several large library systems with many branches would have 100 or more computer stations requiring filtering software. Libraries choosing to install the filtering software on a server may also need to purchase suitable equipment for the installation.

Public libraries would also have additional staff costs due to this legislation. Staff time required for installation and maintenance of filtering software could be significant. Requests from adults for access to filtered sites will require assistance from library staffs. Requests to have sites unblocked must be processed individually, and may require individual adjustment of the software. Library staff will also have to monitor the use of the computer workstation, to ensure the filtering software is active when the workstation is used by minors. Library technical services staff would also need to spend considerable

Title 16—RETIREMENT SYSTEMS
Division 40—Highways and Transportation Employees
and Highway Patrol Retirement System
Chapter 3—Disability Benefits

PROPOSED RULE

16 CSR 40-3.130 Disability Benefits for Year 2000 Plan

PURPOSE: This rule establishes disability benefits and policy for employees who are members of the Year 2000 Plan.

(1) Any employee who is a member of the Year 2000 Plan as provided in sections 104.1003 through 104.1093, RSMo, and who becomes disabled on or after July 1, 2000, may be entitled to either work-related disability benefits or long-term disability benefits if otherwise eligible. The amounts, definitions, eligibility, procedures and administration of work-related disability and long-term disability benefits under section 104.110, RSMo and 16 CSR 40-3.010 to 16 CSR 40-3.120 shall apply to employees who are members of the Year 2000 Plan except that no normal disability benefits are available for members of the Year 2000 Plan.

AUTHORITY: sections 104.1063, RSMo 2000 and 104.1075, RSMo Supp. 2002. Original rule filed Nov. 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed rule with the Highway and Transportation Employees and Highway Patrol Retirement System, Norm Robinson, Executive Director, PO Box 270, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 16—RETIREMENT SYSTEMS
Division 50—The County Employees' Retirement Fund
Chapter 10—County Employees' Defined Contribution
Plan

PROPOSED AMENDMENT

16 CSR 50-10.030 Contributions. The board is adding a new subsection (2)(D).

PURPOSE: This amendment amends rules relating to contributions by adding subsection (2)(D) after subsection (2)(C).

(2) Board Matching Contribution. The Board, in its sole discretion, shall determine if it will make Board matching contributions for a Plan Year and the aggregate amount of the contribution. Such determination shall be made after the close of the Plan Year for which the contribution is made. Each Qualified Participant (as defined in section (3) below) who makes contributions to the 457 Plan during the Plan Year for which the Board matching contribution is made shall be eligible to receive an allocation of this Board matching contribution. Generally, the Board shall allocate Board matching contributions *pro rata* to the Qualified Participant's Board matching account, on the basis of a Qualified Participant's contributions to the 457 Plan. However, the Board shall follow these rules in making this allocation:

(D) Each Qualified Participant's Employer shall submit information and records to the Board with respect to the amount of

such Qualified Participant's contributions to the 457 Plan for a Plan Year no later than February 28 following the close of such Plan Year. The amount of Board matching contributions to any Qualified Participant's Board matching account for a Plan Year shall be based upon such information and records, and shall not be adjusted upward if the information or records submitted by the Qualified Participant's Employer subsequently are shown to be incomplete or inaccurate, or if additional 457 Plan contributions are subsequently deposited by the Qualified Participant's Employer for such Plan Year; provided, however, the Board will be entitled to recover (either by reducing the Qualified Participant's Board matching account balance or, in the event such balance has been distributed, directly from the Qualified Participant) any amounts overcredited to the Qualified Participant's Board matching account (and earnings thereon) if a Qualified Participant's Employer has filed inaccurate records or information regarding the amount of a Qualified Participant's contributions to the 457 Plan.

AUTHORITY: sections 50.1220, RSMo 2000 and 50.1230, RSMo Supp. 2001. Original rule filed May 9, 2000, effective Jan. 30, 2001. Amended: Filed Sept. 10, 2002. Amended: Filed April 25, 2002, effective Nov. 30, 2002. Amended: Filed Sept. 10, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the County Employees' Retirement Fund, PO Box 2271, Jefferson City, MO 65102. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.

Title 20—DEPARTMENT OF INSURANCE
Division 500—Property and Casualty
Chapter 1—Property and Casualty Insurance in General

PROPOSED RULE

20 CSR 500-1.210 Commercial Inland Marine Insurance

PURPOSE: This rule defines the term "commercial inland marine insurance" as used in section 379.321, RSMo.

(1) For purposes of this rule, the term "commercial inland marine insurance" shall mean inland marine insurance which is for business and professional interests, whether for profit, nonprofit or public in nature, which is not for personal, family or household purposes, and which, by regulation or general custom of the business, is in fact written according to manual rates or rating plans.

(2) Commercial inland marine insurance shall be regulated by the Missouri Department of Insurance in the same manner as commercial property insurance.

(3) The rates, rate plans, modifications, and manuals of classifications for those inland marine coverages that either are not or have not been written according to manual rates or rating plans, need not be filed with the Missouri Department of Insurance. However, if rates or rating plans have been filed with the department in the past for a particular type of inland marine insurance, by an insurer, a rating organization, an advisory organization or a joint underwriting association, then it will be presumed that such business is in fact, by regulation or general custom, written according to manual rates or rating plans, and

that therefore, the rates and forms for that particular type of inland marine coverage need to be filed with the department, under the provisions of either subsection 1 of section 379.321, RSMo for personal inland marine coverage or under the provisions of subsection 6 of section 379.321, RSMo for commercial inland marine coverage.

AUTHORITY: sections 374.045, RSMo 2000 and 379.321, RSMo Supp. 2002. Original rule filed Nov. 1, 2002.

PUBLIC COST: This proposed rule will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rule will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rule on January 9, 2003, beginning at 1:00 p.m. in the Central Conference Room of the department's offices in Room 530 of the Truman State Office Building in Jefferson City, Missouri. Opportunities to be heard at the hearing will be afforded to any interested person. Interested persons, whether or not heard, may submit written comments to the department until 5:00 p.m. on January 17, 2003. Written comments shall be sent to the Department of Insurance, Property and Casualty Section, PO Box 690, Jefferson City, MO 65102-0690, to the attention of Mark Doerner.

SPECIAL NEEDS: If you have any special needs addressed by the Americans With Disabilities Act, please notify us at (573) 751-6798 or (573) 526-4636 at least five (5) working days prior to the hearing.

Title 20—DEPARTMENT OF INSURANCE
Division 500—Property and Casualty
Chapter 6—Workers' Compensation and Employer's Liability

PROPOSED RESCISSION

20 CSR 500-6.960 Plan of Operation for the Workers' Compensation Residual Market. This rule described the various aspects of the Department's Alternative Residual Market (ARM) Plan for operating the Missouri worker's compensation residual market.

PURPOSE: The full text of this rule is being rescinded. An order of rulemaking on a new version of this rule was submitted to the secretary of state on October 16, 2002. However, because an order of rulemaking on the companion rescission of the old version of the rule was not filed at the same time, this rescission is being filed. This rescission is intended to rescind the older version of the rule numbered 20 CSR 500-6.960.

AUTHORITY: sections 287.896 and 374.045, RSMo 1994. Emergency rule filed June 15, 1995, effective July 1, 1995, expired Oct. 28, 1995. Original rule filed April 3, 1995, effective Sept. 30, 1995. Emergency rule filed April 26, 2002, effective May 6, 2002, expires Feb. 6, 2003. Emergency rescission filed May 7, 2002, effective May 17, 2002, expires Feb. 18, 2003. Readopted: Filed April 26, 2002. Rescinded: Filed Nov. 1, 2002.

PUBLIC COST: This proposed rescission will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed rescission will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed rescission on January 9, 2003, beginning at 1:00 p.m. in the Central Conference Room of the department's offices in Room 530 of the Truman State Office Building in Jefferson City, Missouri. Opportunities to be heard at the hearing will be afforded to any interested person. Interested persons, whether or not heard, may submit written comments to the department until 5:00 p.m. on January 17, 2003. Written comments shall be sent to the Department of Insurance, Property and Casualty Section, PO Box 690, Jefferson City, MO 65102-0690, to the attention of Mark Doerner.

SPECIAL NEEDS: If you have any special needs addressed by the Americans With Disabilities Act, please notify us at (573) 751-6798 or (573) 526-4636 at least five (5) working days prior to the hearing.

Title 20—DEPARTMENT OF INSURANCE
Division 500—Property and Casualty
Chapter 10—Mortgage Guaranty Insurance

PROPOSED AMENDMENT

20 CSR 500-10.100 Definitions. The department is modifying a percentage in subsection (1)(A) and correcting typographical errors in subsection (1)(A) and subparagraph (1)(A)2.B.

PURPOSE: The department is increasing the maximum percentage of indebtedness permissible for mortgage guaranty insurance in order to conform to changes made in Senate Bill 729 and House Bill 1375, both passed in 2002 by the Missouri General Assembly. Also, two (2) minor typographical errors are corrected; a comma is added in (1)(A) and an "or" is changed to "of" in (1)(A)2.B.

(1) As used in this chapter—

(A) Authorized real estate security means an amortized note, bond or other evidence of indebtedness, not exceeding one hundred **three** percent [(100%)] (**103%**) of the fair market value of the real estate, secured by a mortgage, deed of trust or other instrument constituting a first lien or charge on real estate, provided—

1. The real estate loan secured in that manner is one authorized to be made by a bank, savings and loan association or an insurance company, which entity is supervised and regulated by a department of this state or an agency of the federal government; however, in the case of residential real estate loans only, the list of entities in this paragraph shall include mortgage bankers and mortgage brokers supervised and regulated by a department of this state or an agency of the federal government; or

2. The lien on that real estate may be subject and subordinate to the following:

A. The lien of any public bond, assessment or tax, when no installment, call or payment of or under the bond, assessment or tax is delinquent; or

B. Outstanding mineral, oil or timber rights, rights-of-way, easements or rights-of-way [or] of support, sewer rights, building restrictions or other restrictions or covenants, conditions or regulations of use or outstanding leases upon real property under which rents or profits are reserved to the owner;

AUTHORITY: sections 374.045, [Supp. 1999] RSMo 2000 and 443.415, RSMo Supp. 2002. Original rule filed April 11, 1996, effective Nov. 30, 1996. Amended: Filed Aug. 31, 2000, effective April 30, 2001. Amended: Filed Nov. 1, 2002.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed amendment on January 9, 2003, beginning at 1:00 p.m. in the Central Conference Room of the department's offices in Room 530 of the Truman State Office Building in Jefferson City, Missouri. Opportunities to be heard at the hearing will be afforded to any interested person. Interested persons, whether or not heard, may submit written comments to the department until 5:00 p.m. on January 17, 2003. Written comments shall be sent to the Department of Insurance, Property and Casualty Section, PO Box 690, Jefferson City, MO 65102-0690, to the attention of Mark Doerner.

SPECIAL NEEDS: If you have any special needs addressed by the Americans With Disabilities Act, please notify us at (573) 751-6798 or (573) 526-4636 at least five (5) working days prior to the hearing.