

FISCAL NOTE

EXHIBIT 10
DATE 2/18/05
HB 735

Bill #: HB0735 Title: Liability for fire cleanup

Primary Sponsor: Lenhart, R Status: As Introduced

Sponsor signature _____ Date _____
David Ewer, Budget Director 2/17/05 Date _____

Fiscal Summary

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
Expenditures:		
State Special Revenue	\$99,184	\$93,232
Revenue:		
State Special Revenue	\$0	\$0
Net Impact on General Fund Balance:	\$0	\$0

- | | |
|---|--|
| <input type="checkbox"/> Significant Local Gov. Impact | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

State Auditor's Office (SAO)

1. The SAO Policyholders Services Bureau staff handles an estimated 200 claims per FTE per year.
2. The State Fire Marshall confirmed that there were 796 building fires last calendar year. Of that number, 541 were residence fires.
3. The SAO request funding for two Grade 14 compliance specialists and associated operating expenses to handle the claims this bill will produce.
4. The SAO will develop a database to maintain the information related to the municipalities participating in the program outlined in this bill.

Department of Administration (DOA)

5. There will be some municipalities who will elect to participate in the provisions of the bill and ask to be placed on a list maintained by the State Auditor and establish an escrow account to accommodate the provisions of the bill.

Fiscal Note Request HB0735, As Introduced
 (continued)

FISCAL IMPACT:

	<u>FY 2006</u> <u>Difference</u>	<u>FY 2007</u> <u>Difference</u>
State Auditor's Office (SAO)		
FTE	2.00	2.00
<u>Expenditures:</u>		
Personal Services	\$75,232	\$75,232
Operating Expenses	<u>23,952</u>	<u>18,000</u>
TOTAL	\$99,184	\$93,232
<u>Funding of Expenditures:</u>		
State Special Revenue (02)	99,184	93,232
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>		
State Special Revenue (02)	(99,184)	(93,232)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Department of Administration (DOA)

The provisions of the bill will not have any impact on the revenues and expenditures of local government since the money involved would just be held in escrow pending distribution. However, there may be costs absorbed by local government personnel in administering the escrow account and in personnel resources required for the municipal chief fire official or authorized representative to determine if any of the provisions of Section 4 of the bill have been met.