



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill # SB0511

Title: Regulate work comp claims examiners

Primary Sponsor: Cooney, Mike

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <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 |

FISCAL SUMMARY

| | <u>FY 2008 Difference</u> | <u>FY 2009 Difference</u> | <u>FY 2010 Difference</u> | <u>FY 2011 Difference</u> |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Expenditures: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$60,765 | \$62,588 | \$64,153 | \$65,757 |
| Revenue: | | | | |
| General Fund | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue | \$63,000 | \$63,000 | \$63,000 | \$66,000 |
| Net Impact-General Fund Balance | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

Description of Fiscal Impact:

SB 511 requires the Employment Relations Division (ERD) to establish a licensing function for insurance claims examiners and to set a commensurate fee.

FISCAL ANALYSIS

Assumptions:

Department of Labor and Industry (DoLI)

1. Since the fee will be commensurate to costs, the revenue will approximate the costs.
2. The Employment Relations Division (ERD) will hire 1.00 FTE administrative support specialists who would begin employment in July, 2007.
3. It is assumed the base salary of the employee and other costs will increase 2.5% each year.
4. This FTE will be stationed in Helena, within space already rented and will not travel.
5. The other related operating costs are the average for ERD.

6. Workers' compensation assessment account (WCA – State Special Revenue) would be used as the funding for this licensing function.

| | <u>FY 2008</u> <u>Difference</u> | <u>FY 2009</u> <u>Difference</u> | <u>FY 2010</u> <u>Difference</u> | <u>FY 2011</u> <u>Difference</u> |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| <u>Fiscal Impact:</u> | | | | |
| Department of Labor and Industry | | | | |
| FTE | 1.00 | 1.00 | 1.00 | 1.00 |
| <u>Expenditures:</u> | | | | |
| Personal Services | \$49,671 | \$51,161 | \$52,440 | \$53,751 |
| Operating Expenses | \$11,094 | \$11,427 | \$11,713 | \$12,005 |
| TOTAL Expenditures | <u>\$60,765</u> | <u>\$62,588</u> | <u>\$64,153</u> | <u>\$65,757</u> |
| <u>Funding of Expenditures:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$60,765 | \$62,588 | \$64,153 | \$65,757 |
| TOTAL Funding of Exp. | <u>\$60,765</u> | <u>\$62,588</u> | <u>\$64,153</u> | <u>\$65,757</u> |
| <u>Revenues:</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$63,000 | \$63,000 | \$63,000 | \$66,000 |
| Federal Special Revenue (03) | \$0 | \$0 | \$0 | \$0 |
| Other | \$0 | \$0 | \$0 | \$0 |
| TOTAL Revenues | <u>\$63,000</u> | <u>\$63,000</u> | <u>\$63,000</u> | <u>\$66,000</u> |
| <u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u> | | | | |
| General Fund (01) | \$0 | \$0 | \$0 | \$0 |
| State Special Revenue (02) | \$2,235 | \$412 | (\$1,153) | \$243 |

Sponsor's Initials

Date

Budget Director's Initials

Date