



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2017 Biennium

<b>Bill #</b>	SB0071	<b>Title:</b>	Revise costs of boiler inspections
<b>Primary Sponsor:</b>	Keane, Jim	<b>Status:</b>	As Introduced

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact     | <input 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 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$46,225	\$46,225	\$46,225	\$46,225
<b>Net Impact-General Fund Balance:</b>	\$0	\$0	\$0	\$0

**Description of fiscal impact:** This legislation is not anticipated to increase expenses to the department. Revenue is expected to increase as a result of making inspection fees charged to buildings with multiple boilers in one room equitable to buildings with a single boiler.

### FISCAL ANALYSIS

**Assumptions:**

1. This legislation would repeal language that requires multiple boilers located in one room to be charged the same rate for inspection as a single boiler.
2. There are 11,730 boilers currently inspected in Montana. Half of these boilers (5,260) are inspected by state employed inspectors and the remainder inspected by state special inspectors (insurance company inspectors).
3. 1,262 (24%) of the boilers inspected by state inspectors currently do not pay an inspection fee due to their location with multiple boilers.

**Fiscal Note Request – As Introduced**

(continued)

4. Of the 1,262 boilers that do not pay for their inspections, 1,169 are hot water heating and supply boilers and would be charged an inspection fee of \$35 as set in statute; 60 of the boilers are steam heating boilers and would be charged an inspection fee of \$50 as set in statute; 33 are power boilers that would be charged a fee of \$70 per inspection as set in statute.
5. The total revenue estimated as a result of charging for inspections performed on boilers that are currently not paid, is \$46,225 (which breaks down to \$40,915 (\$35x1,169); \$3,000 (\$50x60); and \$2,310 (\$70x33)).
6. The estimated revenue is not expected to change across fiscal years as rates are set in statute. Any increase or decrease would be caused by a change in the number of boilers inspected.

	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>					
<b><u>Expenditures:</u></b>					
Personal Services	\$0	\$0	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Funding of Expenditures:</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Revenues:</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$46,225	\$46,225	\$46,225	\$46,225
<b>TOTAL Revenues</b>	<u>\$0</u>	<u>\$46,225</u>	<u>\$46,225</u>	<u>\$46,225</u>	<u>\$46,225</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>					
General Fund (01)	\$0	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$46,225	\$46,225	\$46,225	\$46,225

*Lo Seal*      1-5-2014  
 Sponsor's Initials      Date

*[Signature]*      12/30/14  
 Budget Director's Initials      Date