



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2019 Biennium

Bill #	HB 441	Title:	Generally revise human trafficking laws
---------------	--------	---------------	---

Primary Sponsor:	Dennis R Lenz	Status:	As Introduced
-------------------------	---------------	----------------	---------------

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>	<u>FY 2020 Difference</u>	<u>FY 2021 Difference</u>
Expenditures:				
General Fund	\$81,972	\$78,590	\$79,560	\$80,582
State Special Revenue	\$5,347	\$20,000	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u><u>(\$81,972)</u></u>	<u><u>(\$78,590)</u></u>	<u><u>(\$79,560)</u></u>	<u><u>(\$80,582)</u></u>

Description of fiscal impact: HB 441 requires continuing education related to human trafficking for nurses, emergency care providers, and law enforcement officers. Additionally, HB 441 requires Montana Public Safety Officers Standards and Training Council (POST) to include human trafficking in the educational requirements to remain certified as public safety officers.

FISCAL ANALYSIS

Assumptions:

Department of Justice

1. The Montana Public Safety Officers Standards and Training council (POST), is comprised of 3.00 FTE to currently meet the statutory requirements of certifying, approving training, and applying sanctions for 5,000 public safety officers.
2. It is assumed that POST will have additional responsibility to track, train, and audit all enforcement officers and agencies for compliance. It is also assumed that POST will have to sanction officers who fail to meet requirements in HB 441.
3. POST is responsible for approximately 150 agencies. POST would contact each agency to verify compliance with HB 441. POST will need to process and track all returned records for the 5,000 enforcement officers from 150 agencies around the state. POST estimates each record will take 20 minutes to track, record, desk

audit, and follow up with individuals and agencies or approximately 1,667 hours. (20 minutes * 5,000 officers / 60 minutes = 1,667 hours).

4. POST would randomly select 20% of the agencies (30 agencies annually) to visit and manually audit the agency. POST estimates each audit would vary depending on the size of the agency but would be approximately two days for each agency audited or approximately 480 hours (30 agencies * 8 hours * 2 days = 480).
5. POST assumes that there will be 50 officers sanctioned due to non-compliance or 1%. The 1% is consistent with the percentage of non-compliance for other statutes. POST assumes 5 of the sanctions will be contested and go to a hearing. A hearing is 80 hours of work for a paralegal and 20 hours for an attorney.
6. The department estimates that the additional 400 hours of paralegal time, the travel time to manually audit officers, and the implementation of the new standard will make up the remaining time for the FTE.
7. POST assumes 1 FTE necessary to comply with HB 441. The costs are estimated to be \$81,972 in FY18, \$78,590 in FY19, \$79,560 in FY2020, & \$80,582 in FY 2021.

	FY 2018	FY 2019	FY 2020	FY 2021
Personal Services (1.00 FTE Paralegal/Legal Asst)	\$ 61,703	\$ 61,703	\$ 62,629	\$ 63,568
Operating Expenses Ongoing	\$ 16,894	\$ 16,887	\$ 16,931	\$ 17,014
Operating Expenses One Time Only	\$ 3,375	\$ -	\$ -	\$ -
Total	\$ 81,972	\$ 78,590	\$ 79,560	\$ 80,582

Department of Labor and Industry

8. The Board of Medical Examiners will write new rules to require specific CE of emergency care providers, and specific training in emergency care provider curriculum in cooperation with DPHHS, and will set up audit criteria in order to assure that the proper number of CE credits in this subject matter are taken every two years. It is assumed there will be a three page rule notice and two page adoption notice. Total cost to the Secretary of State for printing and publication is \$300.
9. The Board of Nursing will write new rules to require specific CE of nurses who work in emergency or urgent care settings and will set up audit criteria to assure that the proper number of CE credits in this subject matter are taken every two years. It is assumed the board will ask the Secretary of State to publish a two page rule notice and one page adoption notice, total cost \$180.
10. If the boards are able to combine the rule notices for one hearing, they will share costs. It is assumed the boards will hold a two hour minimum hearing with a hearing officer presiding and a court reporter present to record public comment and provide a transcript. Estimated cost is \$456.
11. Both boards will notify their interested parties of the rule notice and will send post cards out to advise interested parties how to find the notice on the board’s website and obtain information on the hearing. Anticipated cost is \$291.
12. The boards will require additional legal time to advise them on rulemaking, respond to comments, and prepare the adoption notice. It is estimated the boards will share in an additional forty hours of legal time, total cost \$4,120.
13. It is assumed each board will need to update their websites to add the content of the new requirement to the board’s other CE information. Boards will need to update all renewal forms for these license types to include the new requirement. This will require assistance from the department’s Technology Services Division. As the Technology Services Division will not be hiring new staff to complete this work, no additional appropriation will be required.
14. There is no way for the Board of Nursing to know where a nurse might be assigned at a particular time. Nurses may rotate through emergency or urgent care settings. As a result the board would be likely to want all nurses to be notified directly of this change. There are approximately 20,000 nurses licensed in Montana. At a rate

of \$1 for printing, labeling, and postage, the board would mail out postcards to each licensee explaining the changes and new requirements. Email addresses would be used when available. Estimated cost is \$20,000.

15. It is assumed the additional time and workload for the Executive Officers of each board, and the CE Audit Unit will be absorbed by each board’s present personal service appropriation.

16. Total estimated board costs are \$5,347 in FY 2018, and \$20,000 in FY 2019.

	<u>FY 2018</u> <u>Difference</u>	<u>FY 2019</u> <u>Difference</u>	<u>FY 2020</u> <u>Difference</u>	<u>FY 2021</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	1.00	1.00	1.00	1.00
<u>Expenditures:</u>				
Personal Services	\$61,703	\$61,703	\$62,629	\$63,568
Operating Expenses	\$25,616	\$36,887	\$16,931	\$17,014
TOTAL Expenditures	<u>\$87,319</u>	<u>\$98,590</u>	<u>\$79,560</u>	<u>\$80,582</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$81,972	\$78,590	\$79,560	\$80,582
State Special Revenue (02)	\$5,347	\$20,000	\$0	\$0
TOTAL Funding of Exp.	<u>\$87,319</u>	<u>\$98,590</u>	<u>\$79,560</u>	<u>\$80,582</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
TOTAL Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$81,972)	(\$78,590)	(\$79,560)	(\$80,582)
State Special Revenue (02)	(\$5,347)	(\$20,000)	\$0	\$0

Sponsor’s Initials

Date

Budget Director’s Initials

Date