



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0358

Title: Generally revising privacy of settlements and public right to know laws

Primary Sponsor: Mercer, Bill

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 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Other	\$1,920	\$0	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: HB 358 requires the Department of Administration (DOA) to create and maintain a public website for each compromise or settlement of claim against the state. The department currently maintains a settlement transparency website. It is estimated that an additional \$1,920 will be needed to develop a dashboard that includes the additional transparency information required in this bill.

FISCAL ANALYSIS

Assumptions:

1. The Department of Administration's State Information Technology Services Division's estimated the cost to build a dashboard for the additional settlement information required in HB 358, and to post this information to the Transparency.mt.gov website, is \$1,920. This cost would be paid by the division's internal service fund.
2. The Statewide Accounting, Budgeting, and Human Resources Systems (SABHRS) would provide the data source for this dashboard. Additional human and technological resources will be required to modify SABHRS to capture more specific information related to employment practice claims, and other claims, as broadly defined in the bill.

Fiscal Note Request – As Introduced

(continued)

- The state’s ability to effectively negotiate and resolve claims may be compromised by HB 358’s requirements to post information regarding negotiations, which may also impact confidentiality and privacy.
- Existing staff will have a significant burden in tracking and reporting every demand, settlement, and all civil and administrative complaints filed.

	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$1,920	\$0	\$0	\$0
TOTAL Expenditures	\$1,920	\$0	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other	\$1,920	\$0	\$0	\$0
TOTAL Funding of Exp.	\$1,920	\$0	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other	(\$1,920)	\$0	\$0	\$0

Technical Notes:

- Section 4(1) requires that all demands to resolve claims must be included in a quarterly report to the Legislative Fiscal Division. This mandate could conflict with the confidentiality of mediation discussions.
- As noted in technical note 1, amounts requested to resolve the claim must be included in the quarterly report. Documenting every initial demand, and all civil and administrative complaints the state is aware of, is not practical.

Sponsor’s Initials

2/19/21

Date

Budget Director’s Initials

2/18/21

Date