



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # SB0039

Title: Establish Board of Sexual Offender Evaluators & Treatment Providers

Primary Sponsor: K. Regier

Status: As Amended in Senate Committee

- 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

Expenditures:

General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$27,912	\$0	\$0	\$0

Revenue:

General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0

Net Impact-General Fund Balance: \$0 \$0 \$0 \$0

Description of fiscal impact: The costs associated SB 39, as amended, are related to rulemaking for the boards of behavioral health, medical examiners, nursing, psychologists, and social work examiners and professional counselors.

FISCAL ANALYSIS

Assumptions:

Department of Labor & Industry (DLI)

- SB 39 provides for joint duties of the Board of Behavioral Health, the Board of Medical Examiners, the Board of Nursing, the Board of Psychologists, and the Board of Social Work Examiners and Professional Counselors. The board shall jointly establish rules and maintain standards for evaluation of treatment of sexual offenders and other duties.
- The boards will propose and adopt rules to implement this legislation. It is estimated there will be a thirty two-page rule notice minimum, and an sixteen-page adoption notice. The total expense from Secretary of State would be \$2,880 to print and publish the rule notice and adoption.
- Interested parties for the boards will receive notice of the rules being considered as licensees of those boards may qualify for the credential offered by the new board. Interested parties will be notified by email whenever possible, and those notified by mail, will receive a postcard, notifying them of the new board and proposed rules, to be reviewed at the board's website. The estimated cost for mail notification is \$214.

4. The boards will hold a public hearing for comment on the proposed rules estimated at a maximum of two hours. The hearing will have a hearing officer and court reporter to record testimony and provide a transcript of comments received. The estimated cost is \$1,298.
5. The board will use DLI Legal Services to assist in rule drafting, addressing comments to the rule notice, and drafting of the adoption notice. Legal hours for assisting a new board with the above referenced work is estimated to be a minimum of 240 hours at \$97 per hour totaling \$23,520.
6. Total rulemaking costs are estimated to be \$27,912 in the first year of the biennium.
7. It is unknown how many complaints might be filed against a licensee's endorsement annually, but processing, investigation, and adjudication of complaints would need to be considered as a necessary expense. Boards and programs, on average, spent \$37,500 on compliance costs in FY 20. It is assumed the board will not have this expense in the first two years of operation but may have a compliance cost in subsequent years based on the number of complaints received.
8. It is unknown how many individuals will qualify, or apply for, the license endorsement, but fees for application and renewal, to run the board, will be set commensurate with costs. It is assumed that the rulemaking expenses will be split across the 5 affected boards and can be covered with existing revenue received through licensing fees.
9. The DLI Technology Services Division (TSD), will be responsible for making all necessary changes and additions to the licensing database to create the endorsement record, including application, renewal, compliance and possibly a continuing education component. As no new staff would be hired to accomplish this, no additional appropriation is necessary, however, the board would incur a cash expense.
10. Section 37-1-134, MCA, provides that each board allocated to the department shall set board fees related to the respective program area that are commensurate with costs.

Office of Public Defender

11. This bill shifts regulation and oversight of sex offender evaluations to a existing boards under the Department of Labor but does not seek changes to the responsibility of associated costs for requested evaluations. Therefore, OPD is still subject to Title 3, chapter 5, section 9 and as well as Title 46, chapter 14, section 202 and will not see changes to current expenditures related to these evaluations.

