



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2025 Biennium

**Bill information:**

HB0156 - Generally revise laws enforced by the State Auditor (Buttrey, Edward )

**Status:** 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 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>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	(\$360)	(\$360)	(\$360)	(\$360)
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** HB 156 generally revises laws that are under the supervision of the Commissioner of Securities and Insurance. The legislation also eliminates the \$10 fee charged by commissioner for the appointment of a registered agent for service of process. The fiscal impact to the state is a revenue reduction of \$360 for fiscal years 2024 through 2027.

### FISCAL ANALYSIS

**Assumptions:**

**State Auditor's Office**

1. Section 33-1-605, MCA establishes a \$10 fee for service of process registrations and changes. In fiscal year 2022, 36 companies made changes or updates generating \$360 in revenues.
2. Based on technology and process improvements, these updates are now processed more efficiently. Continuing to process the \$10 fee is inefficient and results in a cost to process the fee that is the same, or higher, than the \$10 amount collected.

**Fiscal Note Request – As Introduced**

(continued)

- Section 30-10-1004, MCA, creates a state special revenue fund for the Securities Restitution Assistance Fund (SRAF) which provide funds to victims of securities crimes. The proposed legislation would establish a statutory mechanism to potentially recover funds expended from the SRAF under the appropriate circumstances. Future expenditures vary and are difficult to estimate. Current agency staff and resources are sufficient to execute this proposal.

**Legislative Branch – Legislative Audit Division**

- There is no fiscal impact from the changes proposed in HB 156 for the Legislative Audit Division. The division has already increased their estimated audit hours for anticipated financial and federal compliance testing related to the new reinsurance program. See also technical notes.

**Department of Labor and Industry**

- This bill has no fiscal impact to the Department of Labor and Industry. HB 156 amends the insurance commissioner’s authority over pharmacy benefit managers which are not under the supervision of the Board of Pharmacy or the department.

**Department of Public Health and Human Services**

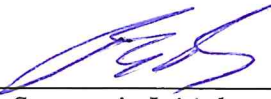
- This bill has no fiscal impact to the Department of Public Health and Human Services. Although HB 156 includes language relating to Adult Protective Services (APS) and investigations of financial exploitation, the department believes the only potential fiscal impact would be an increase in reports to APS and a resulting increase in workload. The department will absorb this potential fiscal impact within their current budget.

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b><u>Fiscal Impact - State Auditor's Office</u></b>				
<b><u>Expenditures:</u></b>				
Personal Services	\$0	\$0	\$0	\$0
Operating Expenses	\$0	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<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
State Special Revenue (02)	\$0	\$0	\$0	\$0
<b>TOTAL Funding of Exp.</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$360)	(\$360)	(\$360)	(\$360)
<b>TOTAL Revenues</b>	<u>(\$360)</u>	<u>(\$360)</u>	<u>(\$360)</u>	<u>(\$360)</u>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$360)	(\$360)	(\$360)	(\$360)

**Technical Notes:**

**State Auditor’s Office**

- Amendments are currently being drafted to eliminate proposed changes to Title 33, Chapter 22, MCA. These amendments will leave those sections as current law with no changes in operations or fiscal impact.

 _____ Sponsor’s Initials	<u>1/4/23</u> _____ Date	 _____ Budget Director’s Initials	<u>1-4-23</u> _____ Date
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