

FISCAL NOTE
Requested by Legislative Council
01/25/2021

Amendment to: SB 2334

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$60,000		\$120,000
Expenditures				\$18,020		\$9,780
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2334 requires licensure of extended stay centers. Establishes an application fee of not more than fifteen thousand dollars and an annual renewal fee of fifteen thousand dollars.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 relates to the licensure and evaluation and review of extended stay centers which results in licensing and survey related expenditures. Assumptions include the number of entities interested in licensure and survey frequency and the associated costs.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Revenue is based on a \$15,000 fee for application and annual renewals. The Department anticipates 3 facilities in the 2021-2023 Biennium and 1 additional facility in the 2023-2025 Biennium resulting in the following:

2021-2023 Biennium Revenue \$60,000

- 1 initial survey 2022 - \$15,000
- 2 initial surveys 2023 - \$30,000
- 1 renewal survey 2023 - \$15,000

2023-2025 Biennium Revenue \$120,000

- 1 initial survey 2024 - \$15,000
- 3 renewal surveys 2024 - \$45,000
- 4 renewal surveys 2025 - \$60,000

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

No additional FTEs are expected. Expenditures include survey related expenses with surveys for initial licensure and every 3 years thereafter. Additional expenses include costs associated with providing public notice of rules, legal fees, and administrative fees for licensure.

2021-2023 Biennium Expenses \$18,020

- Salary and Fringe - \$12,820
- Travel - \$2,400
- Other Operating -\$100

One-time expenditures:

- Administrative Rules notifications – \$1,700
- Legal fees - \$1,000

2023-2025 Biennium Expenses \$9,780

- Salary and Fringe - \$8,080
- Travel - \$1,600
- Other Operating -\$100

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

No additional authority for the expenditures would be needed as licensure can be handled by current FTE. Expenses would need to be covered by the fees generated and deposited in the Department's operating fund instead of the federal funds currently proposed in SB 2004 since this would be a state licensure requirement. Both funding sources are reported as Other Funds in the budgeting process so no adjustment is needed regarding the expenditure source.

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