

FISCAL NOTE
Requested by Legislative Council
01/13/2015

Bill/Resolution No.: HB 1277

- 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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$13,744		\$11,331
Expenditures			\$13,740	\$13,744	\$11,343	\$11,331
Appropriations			\$13,740	\$13,744	\$11,343	\$11,331

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 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).*

HB1277 requires the Department to exclude sales tax revenue received from a political subdivision or local taxing authority as an offset to cost.

- 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 subsection 8 requires the Department to exclude sales tax revenue received from a political subdivision or local taxing authority as an offset to cost. This will increase the costs reported for nursing facility care and thus increase expenditures for the 15-17 biennium by \$27,484 of which \$13,740 are General Fund and \$13,744 are Federal Funds. In the 17-19 biennium, estimated expenditures would be \$22,674 of which, \$11,343 is General Fund and \$11,331 is Federal Funds.

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.*

The increase in Revenue represents the Federal Funds the Department will be able to access due to the increased costs reported for Nursing Facility care as a result of not being able to offset sales tax revenue received from a political subdivision or local taxing authority against reportable costs. Increasing revenue for the 15-17 biennium by \$13,744 in Federal Funds. In the 17-19 biennium, estimated revenue would increase \$11,331 in Federal Funds.

- 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.*

With rates effective January 1, 2016, estimated expenditures under the Medicaid grants line item for the 15-17 biennium would increase \$27,484 of which, \$13,740 is General Fund and \$13,744 is Federal Funds. In the 17-19 biennium, estimated expenditures would increase \$22,674 of which, \$11,343 is General Fund and \$11,331 is Federal Funds.

- 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.*

The Department will need an appropriation increase for the 15-17 biennium of \$27,484 of which, \$13,740 is General Fund and \$13,744 is Federal Funds. The Department will need an appropriation increase for the 17-19 biennium of \$22,674 of which, \$11,343 is General Fund and \$11,331 is Federal Funds.

Name: Debra McDermott

Agency: Department of Human Services

Telephone: 701 328-3695

Date Prepared: 01/19/2015