

FISCAL NOTE

Requested by Legislative Council
12/21/2000

Bill/Resolution No.: HB 1109

Amendment to:

1A. 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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium		
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	
Revenues		\$0	\$0	\$0	\$179,327	\$0	\$236,555
Expenditures		\$0	\$0	\$173,930	\$179,327	\$82,630	\$236,555
Appropriations		\$0	\$0				

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

The Health Department would annually license all basic care facilities and the food and lodging portions of all assisted living facilities. Staff would perform on-site surveys once every two years. A growth from the current 43 facilities to 54 licensed facilities is anticipated by July 2002. The Health Department would require 3 additional staff to perform these surveys.

All assisted living facilities would have to register annually with the State Department of Human Services.

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 other revenues generated would be as a result of the licensing fees for basic care facilities and the registration fees for the assisted living facilities. The Health Department would receive \$159,607 to be deposited in their operating fund and Human Services will receive \$19,720 for the 2001-03 biennium. For the 2003-05 biennium the Health Department will receive \$216,835 and Human Services will receive \$19,720. Collection of basic care license fees would begin January 1, 2002 and will be based on costs for the program. Fees

will increase in the 03-05 biennium to offset general funds used in the 01-03 biennium.

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.*

The expenditures includes \$333,537 for 3 FTES and associated operating costs for the Health Department. Two FTES would be performing licensing and survey activity for basic care facilities. One FTE would be performing licensing activity associated with the registration of assisted living facilities. For the 01-03 biennium, start up costs for the first six months of the biennium of \$91,300 for the basic care licensing process will be funded with general funds. If the licensing of basic care facilities is fully implemented on January 1, 2002, it is estimated that there would be sufficient revenue available to make the licensing program self-funding and no general funds would be required to continue the program in the Health Facilities Division for future bienniums. The FTE and associated operating costs in the Food and Lodging Division would not be offset with fees and would require general funds of \$82,630 per biennium to survey and license assisted living facilities.

The remaining \$19,720 of expenditures would be for a registration system for the assisted living facilities, operated by the State Department of Human Services. Current staff would be able to handle the additional tasks required by the registration process and no new FTES would be required. Expenditures would include costs of paper and printing of forms and the processing of those forms. If the fees for registration were not deposited in the department of human services operating fund, general funds of \$19,720 would be required to operate the registration system.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

This bill does not include an appropriation, and the revenue and expenses are not included in the Health Department's appropriation bill, SB2004 so additional authority and 3 FTE for salary and operating expense will need to be added to the Health Department budget if it is implemented.

\$19,720 of other fund appropriation would be required for the State Department of Human Services. This would be for the operation of the assisted living registration process.

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Agency: Health Department
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Prepared:

