

FISCAL NOTE

Requested by Legislative Council

01/21/2003

Bill/Resolution No.: HB 1413

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.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2001-2003 Biennium			2003-2005 Biennium			2005-2007 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.*

At the present time, the Insurance Department is unable to project in a meaningful manner the fiscal impact of HB 1413 upon the general fund. The proposed change could potentially result in some long-term administrative efficiencies and savings, especially by potentially eliminating duplicative functions and combining office space, to the extent combined offices could result in lower rent costs. At the outset, there would be transitional costs, particularly one-time expenditures to consolidate the three departments. Among these might include website and letterhead redesign, and the costs in integrating the accounting functions of the three Departments if such integration is feasible.

Whether or not any additional costs or savings would result would depend largely upon the decisions made by the Commissioner of Finance as to how best to integrate the three departments. These are impossible to predict today. Therefore this fiscal note does not project an impact on the general fund for the next biennium.

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.*

N/A

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.*

N/A

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.*

N/A

Name: Douglas L. Holloway
Phone Number: 328-2440

Agency: Insurance Department
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