

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/06/2017**

Amendment to: HB 1174

- 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.*

|                | 2015-2017 Biennium |             | 2017-2019 Biennium |             | 2019-2021 Biennium |             |
|----------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
|                | General Fund       | Other Funds | General Fund       | Other Funds | General Fund       | Other Funds |
| Revenues       |                    |             |                    |             |                    |             |
| Expenditures   |                    |             |                    |             |                    |             |
| Appropriations |                    |             |                    |             |                    |             |

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

|                  | 2015-2017 Biennium | 2017-2019 Biennium | 2019-2021 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).*

This bill establishes the false claims act which needs to be in place before the state can set up a Medicaid Fraud Control Unit.

- 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 5 of the bill requires the Attorney General to investigate alleged violations of the false claims act. The Attorney General may file a civil action or criminal action against anyone who violates this Act.

Proceeds from this action must be deposited in the general fund, except when a trust fund suffered as a result of the defendant's actions, the trust fund must first be fully reimbursed for the loss, and the remained of any damages and civil penalty must be deposited in the general fund.

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.*

Revenues which will be generated from this act are unknown at this time since the number of actions the Attorney General can take under the bill are uncertain.

- 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.*

Expenditures for the Office of Attorney General taking the required actions will be provided for House Bill No. 1226, which establishes the Medicaid Fraud Control Unit in the Office of Attorney General.

- 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 appropriation needed by the Office of the Attorney General for costs associated with this Act will be reflected in the fiscal note for House Bill No.1226, which establishes the Medicaid Fraud Control Unit in the Office of Attorney General.

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**Date Prepared:** 01/14/2017