Fiscal Note for 2020 Initiative

<table>
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<tr>
<th>Bill #</th>
<th>Fair Procedure Act</th>
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- ☐ Significant Local Gov Impact
- ☑ Needs to be included in HB 2
- ☐ Technical Concerns
- ☐ Included in the Executive Budget
- ☑ Significant Long-Term Impacts
- ☐ Dedicated Revenue Form Attached

**FISCAL SUMMARY**

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<th>Revenue:</th>
<th>FY 2021 Difference</th>
<th>FY 2022 Difference</th>
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**Net Impact-General Fund Balance: __________________________ __________________________ __________________________ __________________________

**Description of fiscal impact:**
The Fair Procedure Act reduces the length of time government has to respond to complaints, file appeals, and requires payment of some filing fees. Implementation of the act will have a fiscal impact to state agencies for additional FTE and fees, however, the amount cannot be reasonably determined.

**FISCAL ANALYSIS**

**Assumptions:**

**State Agencies**

1. Rules 12 (2) and (3) currently allow state agencies 42 days to respond to lawsuits. Eliminating those provisions and allowing half the time to respond (21 days) will likely require additional legal staff in agencies to complete the necessary legal work.

2. The proposed repeal of 25-10-403, MCA, appears to require the state to pay court fees that currently are not paid or budgeted. The fiscal impact will equal the amount of the new fees, but the amount cannot be determined.

3. Additional state employees as well as personal services and operating costs would be necessary to deal with the added workload created by shorter timelines. However, the costs cannot be reasonably determined. It is estimated the costs could range from minimal cost for small state agencies to hundreds of thousands of dollars for larger state agencies depending on the number of court filings per agency.

4. It is anticipated that the courts would receive increased fees, however the amount cannot be determined.
**Long-Term Impacts:**
1. Ongoing increased state resource would be needed. If the initiative were to pass, there would likely be numerous new proposal budget requests by agencies to try to address the increased workload.

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**Tom Liver**

*Budget Director's Signature*

12/30/19

*Date*