FISCAL NOTE

Requested by Legislative Council

01/24/2011

Bill/Resolution No.: HB 1274

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$0	$92,520	$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.*

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$0	$0	$0	$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1274 provides for non-charging of UI benefits paid to non-profit reimbursable employers. The overall changes required by the bill result in the need to change the Job Service mainframe-based employer charging system.

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.*

Programming changes associated with Section 1, number 5 provide the basis for the fiscal impact of this bill.

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.*

None

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.*

FTE counts will not be impacted. Expenditures will relate to mainframe programming necessary to implement the ability to non-charge reimbursable employers within the Job Service mainframe system.

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 is also included in the executive budget or relates to a continuing appropriation.*

No funding is available to Job Service to implement the necessary programming associated with the changes outlined within this bill. Additionally, no appropriation of state general funds was requested by Job Service. As a federally funded agency, Job Service is limited in the funding received, and would need to request to receive an appropriation of funds in order to complete the changes required by the bill if it were passed.

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HB1274 – No-Charge for Non Profits

Summary:

The following describes a scope of work and provides a cost estimate for incorporating no- charging of non-profit reimbursable employers where the employee voluntarily quit.

Assumptions:

- A new non-profit indicator would need to be added to the system.
- Reimbursable accounts and advanced reimbursable accounts would both be considered in this bill.
- Users will mark the no charge indicators based upon what they receive back from the notice of claims.
- Remove edits for non-profit reimbursable accounts so they can be no-charged.
- Will have to change **ALL** chargeback processing to allow no-charges to reimbursable accounts as long as they are non profit reimbursable accounts.
- Re-qualifying will be manually done by the user.

Scope of work to be done:

- Analysis – 40 Hours

- Design – 40 Hours

- Coding and Unit Testing – 192 Hours
    - Screens for no-charging (JH200, JH240, JH250) – 16 Hours

    - Screens for input, maintenance, and inquiry of new non-profit indicator (JT401, JT611) – 32 Hours.

    - Database changes for new non-profit indicator – 4 Hours

    - Notice of Claims (JBD14) – 60 Hours
        - Programming – 40 Hours
        - Overlay changes – 16 Hours
        - Wappapello changes – 4 Hours

    - Global Logic changes for Charges – 80 Hours

- System Testing – 60 Hours

Total Programmer/Analyst Hours – 332

This estimate includes project management and test coordination in addition to programming and analysis but does not include the users' time for user acceptance testing.

Programmer/Analyst - 332 Hours
Project Manager – 166 Hours
Test Coordinator – 249 Hours
Release Manager – 24 Hours

Cost: 771 hours x $100.00/hour + 20% contingency = **$92,520**