

FISCAL NOTE
Requested by Legislative Council
02/14/2011

Amendment to: HB 1448

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	\$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.*

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).*

Engrossed House Bill No. 1448 provides that the Legislative Management consider contracting on behalf of the state for improper payment identification and recovery audits.

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.*

Engrossed House Bill No. 1448 provides that by August 1, 2011, the Legislative Management shall consider contracting on behalf of the state with a consulting firm to perform an improper payment identification and recovery audit for the previous four fiscal years.

The bill also provides that beginning July 1, 2013, the Legislative Management contract for an improper payment identification and recovery audits; however, the bill is effective through July 31, 2013, and after that date is ineffective.

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.*

It is not possible to determine the amount of revenue that may be generated from the recovery audits.

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.*

If the Legislative Management chooses to contract for recovery audits and if the contract is structured to provide that the consultant is paid on a contingency basis as a specified percentage of improper payments identified and recovered, the estimated effect on expenditures would be less than \$5,000.

The estimated effect on expenditures of the Attorney General is unknown.

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.

The appropriation bills for the Legislative Management and the Attorney General do not include appropriations for expenses relating to recovery audits.

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