



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: HB0797.01: Generally revise occupational licensing laws

Primary Sponsor: Greg Oblander

Status: As Introduced

☐ Included in the Executive Budget

☒ Needs to be included in HB 2

☐ Significant Local Gov Impact

☐ Significant Long-Term Impacts

☒ Technical Concerns

☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>	<u>FY 2028</u> <u>Difference</u>	<u>FY 2029</u> <u>Difference</u>
<b>Expenditures</b>				
State Special Revenue (02)	\$39,880	\$0	\$0	\$0
<b>Revenues</b>				
State Special Revenue (02)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>General Fund Balance</b>				

#### Description of fiscal impact

HB 797 expands the Physician Access Act and provides for licensure of a sponsored international physician. The fiscal impact comes from the initial rulemaking and IT costs.

### FISCAL ANALYSIS

#### Assumptions

##### Department of Labor and Industry

1. The total rule making costs to the Board of Medical Examiners are estimated to be \$25,000 of state special revenue funds. The board will utilize the department legal services to complete the necessary revisions. Rule making costs include Secretary of State fees for rules proposals and adoption.
2. A new record type, provisional international physician license, will be added to the licensing database to include an application and renewal record with the ability for the provisional license to convert to a physician license after three years of continuous practice. Forms for the licensing process will be created for online application and renewal, and the department website will be updated. The Technology Services Division estimates that it will spend 124 hours to complete the implementation. This estimate includes work to complete and analysis, design, develop, script and test. The department will be billed at a rate of \$120 per hour for a total expense of \$14,880 of state special revenue funds.
3. The legislation will require staff to complete background checks and review qualifications including work authorization and job offer status. While additional training may be required for staff in determining immigration status or work authorization. Current resources within the department will be utilized to complete the licensing reviews.
4. The provisional license fees are unknown at the time, but will be set commensurate with costs.

## Fiscal Analysis Table

	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b><u>Fiscal Impact</u></b>				
<b><u>Expenditures</u></b>				
Operating Expenses	\$39,880	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b>\$39,880</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Funding of Expenditures</u></b>				
State Special Revenue (02)	\$39,880	\$0	\$0	\$0
<b>TOTAL Funding of Expenditures</b>	<b>\$39,880</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Revenues</u></b>				
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
State Special Revenue (02)	(\$39,880)	\$0	\$0	\$0

## Technical Concerns

1. Section 4 changes and heightens the requirements for license discipline by requiring clear and convincing evidence for disciplinary actions. All other license types require a preponderance of the evidence.
2. Section 4 ties licensure to employment. This license type would be unique in that requirement. It would additionally require new processes to determine whether and and what time separation from employment occurred.
3. Section 4 modifies the Montana Administrative Procedure Act appellate standards by permitting appeals within 120 days. This establishes a unique appellate process.
4. Section 4(5) creates an ambiguity. The provision allows licensure for someone applying for international provisional licensure. However, section 4 also requires revocation of licensure for an individual not employed.
5. Section 4(6) implies that an international physician is prohibited from changing employment during the term of their provision licensure. This raises constitutional questions pertaining to freedom of travel and to work.

Sponsor's Initials

Date

Budget Director's Initials

3/3/2025

Date