



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill#/Title: SB0216.02 (001): Creating the Montana physicians' workforce investment act

Primary Sponsor: Dennis Lenz Status: As Amended in Senate Committee

☐ 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 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<b>Expenditures</b>				
General Fund (01)	\$6,056,968	\$6,334	\$6,334	\$6,334
<b>Revenues</b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>Net Impact</b>	<u>(\$6,056,968)</u>	<u>(\$6,334)</u>	<u>(\$6,334)</u>	<u>(\$6,334)</u>
<b>General Fund Balance</b>				

### Description of fiscal impact

As amended, SB 216 reduces members of the task force from 12 to six. The bill creates a grant program to support graduate medical education in Montana and directs DLI to provide staff services to the task force.

### FISCAL ANALYSIS

#### Assumptions

#### Department of Labor and Industry

1. The task force will serve without compensation but will be reimbursed for travel expenses. Members who are full time salaried state employees or officers of the state will receive their regular compensation. The task force will have six members; three of whom will be state employees and thus not entitled to compensation other than salary. It is assumed that the three state employee members will also reside in Helena, and travel will not be required.
2. Three task force members are assumed to be non-state employees: one for a Montana physician organization, one from a hospital or other health sector facility, and one a patient advocate. It is assumed these three members will travel to meetings based in Helena to conduct business.
3. The task force will have approximately four in-person meetings per year to conduct the necessary business required and to submit an annual report to the Governor, the Economic Affairs Interim Committee, and the Children, Families, Health, and Human Services Interim Committee in accordance with 5-11-210, MCA. Three task force members will travel to Helena for the meetings at a round-trip distance of 500 miles each and will be reimbursed for mileage. In addition, the three members will each require lodging for one overnight stay per meeting, and meals.
4. Estimated annual expenses for travel total \$6,334. This total includes: Mileage \$4,200, (500 miles per meeting x four meetings x three task force members x \$0.70 per mile), Lodging \$1,732, (four meetings x one overnight stay per member x three members x \$132 per night plus tax of \$12.36). State meal per diem

of \$402, (four meetings x three members x \$33.50 per meeting (dinner on travel day, and breakfast and lunch on meeting day).


5. DLI estimates 0.25 FTE from the department's Grant Writer position and associated support staff, which is billed at \$97 per hour. The cost of support staff in FY 2026 is estimated to be \$50,634 (522 hours X \$97 per hour). Staff would be provided as required in the bill to schedule and hold meetings, support grant design, approval, review, and selection process, administration, as well as compliance and reporting requirements. This work would occur within the first year of the program, and time would reduce/be covered by current resources within DLI in future fiscal years.
6. The bill contains a \$6 million allocation for a grant program.


#### 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	\$56,968	\$6,334	\$6,334	\$6,334
Grants	\$6,000,000	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b>\$6,056,968</b>	<b>\$6,334</b>	<b>\$6,334</b>	<b>\$6,334</b>
<b><u>Funding of Expenditures</u></b>				
General Fund (01)	\$6,056,968	\$6,334	\$6,334	\$6,334
<b>TOTAL Funding of Expenditures</b>	<b>\$6,056,968</b>	<b>\$6,334</b>	<b>\$6,334</b>	<b>\$6,334</b>
<b><u>Revenues</u></b>				
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u></b>				
General Fund (01)	(\$6,056,968)	(\$6,334)	(\$6,334)	(\$6,334)

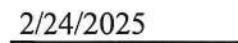
#### Technical Concerns

1. Section 4 (c) states that the director of the Department of Labor and Industry (DLI) or a designee of the director shall serve on the commission . However, DLI has a Commissioner rather than a Director as the executive for the agency who is appointed by the Governor

  
Sponsor's Initials

  
Date

  
Budget Director's Initials

  
Date