



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: **SB0014: Audit Office of Disciplinary Council**

Primary Sponsor: **Barry Usher**

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>
Expenditures				
General Fund (01)	\$68,074	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$68,074	\$0	\$0	\$0
Net Impact	<u>(\$68,074)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
General Fund Balance				

Description of fiscal impact

SB 14 requires a one-time performance audit of the State Bar of Montana. The fiscal impact to the Judicial Branch is \$68,074.

FISCAL ANALYSIS

Assumptions

Judicial Branch

1. This bill requires a one-time performance audit of the Office of Disciplinary Counsel with a final report due to the Law and Justice Interim Committee no later than December 15, 2026.
2. One-time general fund authority in the 2027 Biennium will be necessary to cover the costs of the audit.

Legislative Branch

1. The Legislative Audit Division (LAD) charges \$97.11 an hour for a performance audit. Based on past completed performance audits, LAD estimates the audit will take 701 hours for a cost of \$68,074.
2. This estimate uses the FY 2025 performance audit hourly billing rate. The performance audit hourly rate for the FY 2026 and FY 2027 fiscal years has not yet been developed, however, so all billing to the Judicial Branch will be updated with those rates.
3. The estimated \$68,074 cost of the performance audit paid by the Judicial Branch to LAD would be deposited in the state special revenue account of LAD.
4. LAD would conduct the one-time performance audit with existing resources, so no additional expenses are shown.

5. Depending on the timing of the audit, the actual revenue and expenses could be split between FY 2026 and FY 2027.

Fiscal Analysis Table

Judiciary				
	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
Operating Expenses	\$68,074	\$0	\$0	\$0
TOTAL Expenditures	\$68,074	\$0	\$0	\$0
<u>Funding of Expenditures</u>				
General Fund (01)	\$68,074	\$0	\$0	\$0
TOTAL Funding of Expenditures	\$68,074	\$0	\$0	\$0
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	(\$68,074)	\$0	\$0	\$0

Legislative Branch				
	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
<u>Expenditures</u>				
<u>Funding of Expenditures</u>				
<u>Revenues</u>				
State Special Revenue (02)	\$68,074	\$0	\$0	\$0
TOTAL Revenues	\$68,074	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
State Special Revenue (02)	\$68,074	\$0	\$0	\$0

STATEWIDE SUMMARY				
	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>	<u>FY 2028 Difference</u>	<u>FY 2029 Difference</u>
<u>Fiscal Impact</u>				
TOTAL Fiscal Impact	0.00	0.00	0.00	0.00
<u>Expenditures</u>				
Operating Expenses	\$68,074	\$0	\$0	\$0
TOTAL Expenditures	\$68,074	\$0	\$0	\$0
<u>Funding of Expenditures</u>				
General Fund (01)	\$68,074	\$0	\$0	\$0
TOTAL Funding of Expenditures	\$68,074	\$0	\$0	\$0
<u>Revenues</u>				
State Special Revenue (02)	\$68,074	\$0	\$0	\$0

Fiscal Note Request - As Introduced

(continued)

TOTAL Revenues	\$68,074	\$0	\$0	\$0
Net Impact to Fund Balance (Revenue minus Funding of Expenditures)				
General Fund (01)	(\$68,074)	\$0	\$0	\$0
State Special Revenue (02)	\$68,074	\$0	\$0	\$0

Technical Concerns

1. The Office of Disciplinary Counsel is a part of the State Bar of Montana and not part of the Judicial Branch.

NO SPONSOR SIGNATURE

Sponsor's Initials

Date

1/7/25

Budget Director's Initials

12/31/2024

Date

