



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2027 Biennium

Bill#/Title: SB0216.01: Creating the Montana physicians' workforce investment act

Primary Sponsor: Dennis Lenz 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)	\$6,065,414	\$14,780	\$14,780	\$14,780
Revenues				
General Fund (01)	\$0	\$0	\$0	\$0
Net Impact	<u>(\$6,065,414)</u>	<u>(\$14,780)</u>	<u>(\$14,780)</u>	<u>(\$14,780)</u>
General Fund Balance				

Description of fiscal impact

SB 216 creates a grant program to support graduate medical education in Montana and establishes a task force to administer the program. SB 216 requires the Department of Labor and Industry (DLI) to staff the task force, provide a DLI representative with experience in physician workforce issues to the task force, and requires the DLI to provide staff services to the task force. The allocation provided for in Section 6 of the bill will require an appropriation.

FISCAL ANALYSIS

Assumptions

Department of Labor and Industry (DoLI)

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 twelve members; five of whom will be state employees and therefore not entitled to compensation other than salary. It is assumed that the five state employee members will also reside in Helena, and travel will not be required.
2. Seven task force members are assumed to be non-state employees: three for Montana medical schools, two representing hospitals, one for a physician organization and one patient advocate. It is assumed these seven 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. Seven 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 seven members will each require lodging for one overnight stay per meeting, and meals.

4. Estimated annual expenses for travel total \$14,780. This total includes mileage costs of \$9,800 based on 500 miles per meeting, four meetings per year, seven task force members and \$0.70 per mile. Lodging costs total \$4,042 for four meetings with one overnight stay per member, seven task force members at current state rate of \$132 per night plus tax of \$12.36. State meal per diem costs are estimated to be \$938 for four meetings, seven members and \$33.50 per meeting which includes dinner on the travel day, and breakfast and lunch on the meeting day.
5. DLI requires a 0.25 FTE Grants 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 based on an estimated 522 hours at the \$97 per hour rate. 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. Section 6 allocates \$6 million from the general fund to DLI (shown in this fiscal note). While this is not a legal appropriation, it is assumed the word allocation was included in this bill as a workaround as an appropriation bill cannot begin in the Senate.

Fiscal Analysis Table

	<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	\$65,414	\$14,780	\$14,780	\$14,780
Grants	\$6,000,000	\$0	\$0	\$0
TOTAL Expenditures	<u>\$6,065,414</u>	<u>\$14,780</u>	<u>\$14,780</u>	<u>\$14,780</u>
<u>Funding of Expenditures</u>				
General Fund (01)	\$6,065,414	\$14,780	\$14,780	\$14,780
TOTAL Funding of Expenditures	<u>\$6,065,414</u>	<u>\$14,780</u>	<u>\$14,780</u>	<u>\$14,780</u>
<u>Revenues</u>				
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures)</u>				
General Fund (01)	<u>(\$6,065,414)</u>	<u>(\$14,780)</u>	<u>(\$14,780)</u>	<u>(\$14,780)</u>

NO SPONSOR SIGNATURE

Sponsor's Initials

Date

2/7

Budget Director's Initials

Date

2/7/2025

