

# Multiple Agency Fiscal Note Summary

**Bill Number:** 6745 SB

**Title:** Death certificates

## Estimated Cash Receipts

Agency Name	2001-03		2003-05		2005-07	
	GF- State	Total	GF- State	Total	GF- State	Total
Office of State Treasurer	Indeterminate					
Department of Health	0	500,000	0	1,000,000	0	500,000
<b>Total \$</b>	0	500,000	0	1,000,000	0	500,000

Local Gov. Courts *						
Local Gov. Other **	Fiscal note not available					
Local Gov. Total						

## Estimated Expenditures

Agency Name	2001-03			2003-05			2005-07		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of State Treasurer	.0	0	0	.0	0	0	.0	0	0
Department of Health	1.0	0	381,000	3.3	503,000	1,622,000	4.0	323,000	823,000
<b>Total</b>	1.0	\$0	\$381,000	3.3	\$503,000	\$1,622,000	4.0	\$323,000	\$823,000

Local Gov. Courts *									
Local Gov. Other **	Fiscal note not available								
Local Gov. Total									

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\* See Office of the Administrator for the Courts judicial fiscal note

\*\* See local government fiscal note

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6745 SB	<b>Title:</b> Death certificates	<b>Agency:</b> 090-Office of State Treasurer
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## Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

Indeterminate Impact

Estimated Expenditures from:

	FY 2002	FY 2003	2001-03	2003-05	2005-07
<b>Fund</b>					
<b>Total \$</b>					

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Susan Bogni	Phone: (360) 786-7432	Date: 02/01/2002
Agency Preparation: Dan Mason	Phone: 360-902-9090	Date: 02/04/2002
Agency Approval: Dan Mason	Phone: 360-902-9090	Date: 02/04/2002
OFM Review: Les Myhre	Phone: 360-902-0614	Date: 02/04/2002

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

SB 6745 provides a surcharge; the money is for the Department of Health's center for health statistics.

Assumption: The death investigations' account will be used for depositing the surcharge with the state.

Earnings:  
The amount of earnings by an account is a function of the average daily balance of the account and the earnings rate of the investment portfolio. The average daily balance is a function of the beginning balance in the account and the timing & amount of receipts, disbursements, & transfers during the time period in question. Accordingly, even with a beginning balance of zero, two accounts with the same overall level of receipts, disbursement, and transfers can have quite different average balances, and hence differing earnings.

The earnings from the death investigations' account are credited to the General Fund.

There will be an impact to the earnings; however, the actual earnings will be determined more by the impact to the average daily balance than the amount of increases or decreases in receipts, disbursements, and transfers. Currently, estimated earnings are indeterminable. Without projected monthly estimates of receipts, disbursements, and transfers, OST is unable to estimate the changes to the average balance of the account and the impact to earnings.

Based on the November 2001 Revenue Forecast, the net rate for estimating earnings for FY 02 is 2.92% and for FY 03 is 3.26%. The rate used for FY 03 should also be used for subsequent fiscal years. Approximately \$29,000 in FY 02 and \$32,000 in FY 03 in net earnings and \$5,000 in OST management fees would be gained or lost annually for every \$1 million increase or decrease in average daily balance.

Debt Limit:  
There will be an impact on the Debt Service Limitation calculation. Any increase to the earnings credited to the General Fund will increase, by an equal amount, General State Revenues.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

SB 6745 provides a surcharge; the money is for the Department of Health's center for health statistics.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years					
Total:					

**Part IV: Capital Budget Impact**

**Part V: New Rule Making Required**

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 6745 SB	<b>Title:</b> Death certificates	<b>Agency:</b> 303-Department of Health
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## Part I: Estimates

☐ No Fiscal Impact

### Estimated Cash Receipts to:

FUND	FY 2002	FY 2003	2001-03	2003-05	2005-07
General Fund-Private/Local 001-7		500,000	500,000	1,000,000	500,000
<b>Total \$</b>		500,000	500,000	1,000,000	500,000

### Estimated Expenditures from:

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years	0.0	2.0	1.0	3.3	4.0
<b>Fund</b>					
General Fund-State 001-1	0	0	0	503,000	323,000
General Fund-Private/Local 001-7	0	381,000	381,000	1,119,000	500,000
<b>Total \$</b>	0	381,000	381,000	1,622,000	823,000

*The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.*

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact: Susan Bogni	Phone: (360) 786-7432	Date: 02/01/2002
Agency Preparation: Soong-Ho Kim	Phone: (360) 236-4531	Date: 02/01/2002
Agency Approval: Don Alexander	Phone: 360-236-4530	Date: 02/07/2002
OFM Review: Gina Terry	Phone: 360-902-0579	Date: 02/07/2002

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1 (7.) - The Department of Health (DOH) must charge a surcharge of one dollar for each fee imposed for certified copies of records and for copies or information provided for research, statistical, or administrative purposes, or for a search of the files or records when no copy is made for the sole purpose of implementing a web-based electronic death certificate registration system. The surcharge imposed under this subsection expires July1, 2006.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

The assumption for "Cash Receipts" is based on historical data for certified copies of records and for copies or information provided for research, statistical, or administrative purposes, or for a search of the files or records when no copy is made. Approximately 500,000 requests are made each year. It is assumed these funds will be deposited into the general fund - private/local and distributed from the same fund.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Section 1 (7) states a surcharge of one dollar for each fee imposed for certified copies of records and for copies or information provided for research, statistical, or administrative purposes, or for a search of the files or records when no copy is made for the Department of Health (DOH), Center for Health Statistics (CHS), for the sole purpose of implementing a web-based electronic death certificate registration system.

The cash receipts section indicates estimated revenue of \$2.0 million over the four year period from July 1, 2003 through June 30, 2006. The estimated expenditures are approximately \$2.826 million. It is assumed there will be a carry over of private/local funds from FY03 in the amount of \$119,000 to FY04. With estimated receipts at \$500,000 for FY04 and the carry over from FY03 of \$119,000, there will be a need of general fund state dollars of \$169,000. For FY05, there will be an estimated need for general fund state dollars in the amount of \$334,000. For the FY06, there will be an estimated need of general fund state dollars in the amount of \$27,000. For FY07 and subsequent biennia, there will be a need for general fund state dollars to support continued maintenance of this system.

The project will entail several steps. There will need to be a feasibility study, a design phase and then a programming/implementation phase. These phases will take at least three years, based on observations of other states' progress on the same type of project. Most of the work will be done by contractor. There will need to be a few project staff on board at CHS to provide guidance and coordination during the process. Subsequent to development, maintenance will require continuation of 3.50 FTEs (Information Technology Applications Specialist 4 at 1.0 FTE, Health Services Consultant 2 at 1.0 FTE, Health Services Consultant 1 at 1.0 FTE, and an Information Technology Systems Specialist at 0.5 FTE).

During the system development, there will be a need for 3.0 FTEs:

- 1. Project manager for the series of tasks which would require a Health Services Consultant 4 at 1.0 FTE.
- 2. Field representative to work with the data providers and local health departments to ascertain needs; set up groups during the beta test phase; and to get the first pilot group established for initial implementation. Statewide deployment will be done incrementally and require a lot of coordination with funeral homes, physicians, and the local health departments. This position would require a Health Services Consultant 2 at 1.0 FTE.
- 3. Programmer to monitor the contractor and coordinate their efforts with existing systems. This would require an

Information Technology Applications Specialist 4 at 1.0 FTE.

After development, there will be an incremental deployment, beginning with a pilot phase beginning in SFY05. The deployment and long term maintenance of the system will require 3.5 FTEs:

1. A programmer to provide programming support for the system. This would be the Information Technology Applications Specialist 4 at 1.0 FTE.
2. A systems technician to provide system maintenance once operational. This would be the Information Technology Systems Specialist 2 at 0.5 FTE.
3. A field representative to assist with training new providers and promoting usage of the system. This would be the Health Services Consultant 2 at 1.0 FTE.
4. A help-desk staff person providing assistance to the data providers on both the system and the death certificate requirements. This would be a Health Services Consultant 1 at 1.0 FTE.

There will some unique equipment needs, most notably a dedicated server along with system and development software to support this new system.

In comparison to Minnesota's Electronic Death Registration System development, the fiscal impact of this bill is comparable to their experience.

## Part III: Expenditure Detail

### III. A - Expenditures by Object Or Purpose

	FY 2002	FY 2003	2001-03	2003-05	2005-07
FTE Staff Years		2.00	1.0	3.3	4.0
A-Salaries & Wages		116,000	116,000	337,000	383,000
B-Employee Benefits		28,000	28,000	81,000	92,000
C-Personal Serv Contr		140,000	140,000	925,000	130,000
E-Goods and Services		82,000	82,000	195,000	170,000
G-Travel		12,000	12,000	24,000	24,000
J-Capital Outlays				50,000	12,000
M-Inter Agency Fund Transfers					
N-Grants, Benefits Services					
P-Debt Service					
S-Interagency Reimbursement					
T-Intra-Agency Reimbursement		3,000	3,000	10,000	12,000
<b>Total:</b>	\$0	\$381,000	\$381,000	\$1,622,000	\$823,000

### III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2002	FY 2003	2001-03	2003-05	2005-07
Health Services Consultant 1	38,580				0.5	1.0
Health Services Consultant 2	45,816				0.5	1.0
Health Services Consultant 4	58,656		1.0	0.5	1.0	0.5
Info. Tech. Application Spec. 4	57,252		1.0	0.5	1.0	1.0
Info. Tech. Systems Spec. 1	40,512				0.3	0.5
<b>Total FTE's</b>			2.0	1.0	3.3	4.0

### III. C - Expenditures By Program (optional)

Program	FY 2002	FY 2003	2001-03	2003-05	2005-07
EHS/PHL (010)		353,000	353,000	1,540,000	746,000.00
MSD (090)		28,000	28,000	82,000	77,000.00
<b>Total \$</b>		381,000	381,000	1,622,000	823,000

**Part IV: Capital Budget Impact**

**Part V: New Rule Making Required**

*Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.*