

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2737-01
Bill No.: HB 808
Subject: Accountants; Administrative Law; Employment Security; Labor and Industrial Relations Dept.
Type: Original
Date: December 29, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations (DOL)** assume the proposal would cause a 10% increase in the number of appeals filed with the Appeals Section. This is based on current attempted filings by accountants and actuaries. Additionally, the Department expects cases in which accountants represent a party or parties will take 25% longer to complete. This is largely due to additional testimony heard during appeals hearings. The Appeals Section current support staff and Referees are fully utilized. Therefore, it is anticipated that the Appeals Section will require two (2) Referee II's and two (2) additional support staff to process and hear the additional appeals.

Oversight notes that in response to a similar proposal in the prior session, DOL assumed representation by professionals other than attorneys would result in longer hearings which would increase the cost per hearing and result in greater delays. DOL stated the additional cost to federal funds was unknown, but was anticipated to be under \$100,000 annually. Oversight assumes the potential for longer hearings and increased cost per hearing resulting from passage of the proposal is speculative and assigns no direct fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business accounting firms may find increased opportunities to serve their clients; and small businesses which wish to pursue appeals of disputed benefit determinations, claims, and petitions for reassessment may consider engaging accountants instead of or in addition to attorneys.

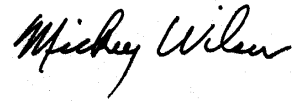
DESCRIPTION

This proposal gives parties involved in an administrative appeal on disputed benefit determinations, claims, and petitions for reassessment the right to be represented by an accountant at a hearing.

This proposal is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Labor and Industrial Relations

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
December 29, 2003