

Fiscal Estimate Narratives

OCI 10/14/2013

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|---|------------------|---------------------|---------------|---------------|-----------------|
| LRB Number | 13-2464/1 | Introduction Number | SB-217 | Estimate Type | Original |
| Description Social and financial impact reports | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

The current state definition of a mandate includes two loopholes. First the law excludes a mandates that requires plan design changes (or changes of the required cost sharing for a particular benefit, disease or service) from the definition of a mandate. Second, the law does not require social and financial impact statements for amendments that are attached to a bill. This bill closes those loopholes by expanding the definition of a mandate to include those loopholes. The bill does provide OCI the option to not to issue a report if OCI explains the reasons for not issuing a report.

Social and financial impact statements are already required under existing law. While this bill proposes to expand the state definition of a mandate requiring a social and financial impact statement, our analysis indicates that the agency can absorb any potential cost of the change and the bill will have negligible financial impact on the agency.

Long-Range Fiscal Implications

none