

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 316 – SB 1205

March 2, 2017

SUMMARY OF BILL: Authorizes the Commissioner of the Department of Mental Health and Substance Abuse (DMHSAS) or the Commissioner of the Department of Intellectual and Developmental Disabilities (DIDD), to designate employees as administrative law judges or hearing officers for all contested case hearings required to be held under the Uniform Administrative Procedures Act, rather than just for admission review hearings for admission to department facilities.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent the Department of Mental Health and Substance Abuse (DMHSAS) begins performing certain contested case hearings as a result of this bill, which are conducted by the Department of State under current law, a recurring interdepartmental shift of funding of approximately \$12,000 per year from DMHSAS to the Department of State for funding expenses associated with conducting such hearings will no longer occur. Any net impact to state government is considered not significant.

Assumptions:

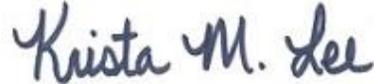
- Pursuant to Tenn. Code Ann. § 33-1-306, the Commissioners can only designate employees as administrative law judges or hearing officers to conduct contested case hearings for admission review hearings for admission to department facilities.
- All DMHSAS hearings not pertaining to admission review hearings for admission to department facilities are currently conducted by the Secretary of State (SOS). The current practice is that the DMHSAS utilizes \$12,000 in recurring funding for the purpose of interdepartmental payments made to SOS for any hearings actually conducted by the SOS.
- If permitted, the DMHSAS will continue referring hearings not pertaining to admission review hearings for admission to department facilities to the SOS. Otherwise, the DMHSAS has sufficiently trained staff to conduct such hearings; therefore, the Department can conduct these hearings utilizing existing staff and the recurring funding estimated to be \$12,000 per year currently transferred to SOS for conducting such hearings.
- To the extent the DMHSAS begins conducting such contested case hearings as a result of the bill, there will be a recurring interdepartmental shift of approximately \$12,000 in

funding from the SOS to the DMHSAS for expenses associated with performing the hearings. Any net fiscal impact to state government is considered not significant.

- The 2016 Appropriations Act provided funding for three DIDD hearing officers and one administrative assistant to conduct hearings. As a result, DIDD currently has sufficiently trained staff to conduct such hearings.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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