



**Fiscal Note**  
**H.B. 204 1st Sub. (Buff)**  
 2019 General Session  
 Employment Selection Procedures Act  
 Amendments  
 by Wheatley, M. (Wheatley, Mark.)



**General, Education, and Uniform School Funds**

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$(12,500)	\$(6,250)	\$(18,750)

**State Government**

UCA 36-12-13(2)(b)

Revenues	FY 2019	FY 2020	FY 2021
Total Revenues	\$0	\$0	\$0

Enactment of this bill could increase state revenues by either \$400 or \$2,000 per case in penalty payment retention if an aggrieved party wins their case. The difference in revenue is from whether the violation is a first-time or subsequent offense. As determined by the bill, 40% of the penalty recovered from a business (\$1,000 or \$5,000 per case) will be retained by the Labor Commission. Assuming that there are 10 cases per year and a penalization rate of 80%, the state could increase revenues by a total of \$3,200 to \$16,000.

Expenditures	FY 2019	FY 2020	FY 2021
General Fund	\$0	\$12,500	\$12,500
General Fund, One-Time	\$6,250	\$0	\$0
Total Expenditures	\$6,250	\$12,500	\$12,500

Enactment of this legislation could cost the Labor Commission an estimated \$2,000 one-time in FY 2019 and \$4,000 ongoing starting in FY 2020. These funds would be spent on an additional .04 FTE's for part-time investigation. An additional \$4,250 one-time in FY 2019 and \$8,500 ongoing starting in 2020 would be spent on an estimated 10 hours of work on 10 cases by the Attorney General's Office.

	FY 2019	FY 2020	FY 2021
<b>Net All Funds</b>	<b>\$(6,250)</b>	<b>\$(12,500)</b>	<b>\$(12,500)</b>

**Local Government**

UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct, measurable costs for local governments.

**Individuals & Businesses**

UCA 36-12-13(2)(d)

Enactment of this bill could cost businesses either \$1,000 or \$5,000 in penalties if they violate the statute depending on whether the violation is a first or subsequent offense. Assuming that there are 10 cases per year and a penalization rate of 80%, businesses would face a total of \$8,000 to \$40,000 in penalties statewide. The bill could benefit aggrieved individuals by either \$600 or \$3,000 in awards if they win their case depending on whether a violation is a first or subsequent offense. As determined by the bill, 60% of the penalty recovered from a business (\$1,000 or \$5,000 per case) will be given to the aggrieved individual. Assuming that there are 10 cases per year and a penalization rate of 80%, individuals could receive a total of \$4,800 to \$24,000 in penalties statewide.

**Regulatory Impact**

UCA 36-12-13(2)(e)

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

**Performance Note**

JR4-2-404

No performance note required for this bill

**Notes on Notes**

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.