

FISCAL NOTE

Requested by Legislative Council
01/31/2005

Amendment to: HB 1375

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$67,500			
Appropriations			\$67,500			

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Development and implementation of the Beginning Again North Dakota pilot program.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expiration date for the pilot program is July 31, 2009. Therefore, because of the limited tenure of the program, it is implied that contracting for the service would be more economical and efficient than hiring an FTE.

The primary expenditures associated with this bill would consist of gathering data for the communities. Most data would be collected from secondary sources to minimize costs. The use of detailed community workforce skills assessment audits are not anticipated since they would entail significant additional costs. It is assumed that strategic plans for the communities will then be completed incorporating the asset data.

The estimated cost of the strategic plans has been incorporated into this fiscal note.

The estimated expenditures associated with the pilot program are as follows:

Assemble and compile asset information: \$30,000 (\$15,000 per community)
Develop two strategic plans: \$60,000 (\$30,000 per community)
Report to the Legislature: No additional expenditures

Biennium Total: \$90,000

Assuming the communities provide the 25% match of \$22,500 the remaining cost to the state would be at a minimum \$67,500.

*It is estimated that the data for the communities could be compiled and the corresponding strategic plans could be completed within the next biennium. Therefore, the preceding expenditures only pertain to the 2005-2007 biennium.

*In addition, it is assumed that an electronic data base would not be developed during the pilot period due to the fact that data from only two communities would be involved in the program. If the program became successful and additional communities were added, it would be economical to appropriate funds for the development of a specific data base. If the pilot program expanded to cover additional communities, expenditures would increase to cover the expanded scope of the program.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

No appropriations have been attached to this bill. However, it is estimated that to implement the program \$67,500 will need to be appropriated to cover the 75% of the costs not covered by the community's 25% match.

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