

FISCAL NOTE

Requested by Legislative Council

01/12/2005

Bill/Resolution No.: HB 1341

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	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$1,460,312	\$0	\$0	\$0
Appropriations	\$0	\$0	\$1,460,312	\$0	\$0	\$0

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
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

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.*

This bill, if it were enacted as written, would require the OMB State Procurement Office to mail all bids and proposals to approved vendors who are located in the State. There are currently 2,125 approved vendors on the State Procurement Office bidders' list, of which 1,307 are North Dakota vendors. Approximately 1,460 solicitations for commodities and services are issued each year. Assuming each document can be mailed at \$.37 each, the additional postage alone would cost \$706,041 per year or \$1,412,082 per biennium.

It is further estimated that the increased workload would necessitate the hiring of an additional FTE to meet this requirement. That would add an additional \$48,230 for an FTE at an entry-level position. The fiscal note does not include the cost of additional paper, envelopes, or equipment required to meet this requirement.

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.*

General fund appropriations for the OMB State Procurement Office would need to be increased by the amount of the estimated expenditures.

Name: Linda Belisl
Phone Number: 328-3494

Agency: OMB
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