

**FISCAL NOTE**  
**Requested by Legislative Council**  
12/26/2006

Bill/Resolution No.: SB 2036

**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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	\$3,000	\$0	\$2,000
<b>Expenditures</b>	\$0	\$0	\$0	\$2,000	\$0	\$1,000
<b>Appropriations</b>	\$0	\$0	\$0	\$0	\$0	\$0

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**2A. Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The bill is to provide for the licensing of professional employer organizations by the Secretary of State. The provisions having an impact will be the fees for the initial licensing and subsequent renewals.

**B. Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The fee for the initial license application is \$1,000. The renewal fee is set at \$500.

**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.*

The revenue will be generated by the licensing and renewal fees. However, at this time, it is unknown how many such organizations will register with the Secretary of State's office. Therefore, the bill is to allow the revenue to be deposited into the agency's general services fund. This will allow for the resources to be available to the agency whether there are two or twenty organizations that become licensed.

**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.*

As stated in section A, it is unknown how many such organizations will register with the Secretary of State's office. Therefore, in order to make sure there is adequate revenue to cover expenses, whether there are two or twenty organizations licensed, the expenses will be covered by the agency's general services fund where the offsetting revenue will be deposited.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The appropriation will be covered by the amount appropriated for the agency's general services fund.

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<b>Phone Number:</b>	328-3670	<b>Date Prepared:</b>	01/01/2007