

# FISCAL NOTE

Requested by Legislative Council  
01/24/2007

Amendment to: SB 2205

**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	\$384,998	\$5,850,608	\$0	\$2,739,699
<b>Expenditures</b>	\$0	\$0	\$6,946,222	\$5,850,608	\$10,579,514	\$2,739,699
<b>Appropriations</b>	\$0	\$0	\$6,946,222	\$5,850,608	\$10,579,514	\$2,739,699

**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	(\$5,423,068)	\$0	\$0	(\$9,424,386)	\$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).*

This bill provides for the transfer of the Regional Child Support Enforcement Units (RCSEUs) from county operations to the Department of Human Services effective July 1, 2007.

**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 fiscal impact of this bill is a combination of transferring the costs of operating the RCSEUs from the counties to the Department, the loss of SWAP revenues due to the decreased county expenditures, the transfer of the remaining county budgets to the Department for the operations of the RCSEUs, and a one-time payment by the counties to the state general fund for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

**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 general fund revenues for the 2007-09 biennium are a result of the counties making a one-time payment to the state for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

The other funds revenues for both the 2007-09 and 2009-11 biennia are from the additional draw down of federal funds for the increased child support enforcement expenditures offset by the loss of SWAP revenues due to the decreased county expenditures. In 2007-09 only other funds also include the payment by the counties to the state of their remaining 2007 calendar year budgets for the RCSEUs.

**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 general fund expenditures for the 2007-09 and 2009-11 biennia are a result of: 1) increases due to the state's share of the operating costs of the RCSEUs, 2) increased general fund needs within the Department to replace the loss of SWAP revenues, offset by 3) a reduction in the amount of general fund moneys needed for Indian county payments. The difference between the two biennia is due to the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The other fund expenditures for the 2007-09 and 2009-11 biennia are a result of increases related to the federal share of the operating costs of the RCSEUs offset by decreased other funds available due to the loss of SWAP revenues. The difference between the two biennia is due to the additional other funds available from the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The transfer would increase the Department's FTE by approximately 122.6 FTE.

**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 general fund appropriation for the 2007-09 biennium would need to be increased by a net amount of \$6,946,222 as a result of: 1) the increase needed for the state's share of the operating costs of the RCSEUs, 2) the increase needed within the Department to replace the loss of SWAP revenues, offset by 3) the decrease in the amount of general fund moneys needed for Indian county payments.

The other funds appropriation for the 2007-09 biennium would need to be increased by a net amount of \$5,850,608 as a result of the increase in federal funds related to the federal share of the operating costs of the RCSEUs, the one time remaining calendar year budgets offset by the decrease in other funds available due to the loss of SWAP revenues.

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