

**FISCAL NOTE**  
**Requested by Legislative Council**  
01/20/2009

Bill/Resolution No.: SB 2268

**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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		\$0		\$31,250		\$31,250
Expenditures		\$0		\$20,400		\$20,400
Appropriations						

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**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 moderizes the language and terminology and redefines professional practice and registrations. It provides for an increase in business registration fees and board member per diem rates.

**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.*

Changes that will have a fiscal impact include increasing board member per diem rates and clarification in the requirements for engineering/surveying business registration which in turn will increase the number of application fees and renewal fees for this increase in business registrations and the increase of the fee cap for renewals for the business registrations.

**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 bill will have an impact on one, and possibly two areas of revenues for the state board of registration. SB 2268 redefines the requirements for the certificate of authorization (COA) and in so doing increases the revenues that will be realized from additional COAs being registered and the raising of the fee cap for COA registrants which would have a revenue effect only when and if the state board of registration increases the renewal fee for these registrations. The COA is a registration for businesses performing engineering or surveying in North Dakota. Professional engineers and professional land surveyors will continue to be registered as individuals. Passage of SB 2268 will increase the total amount of application fees and renewal fees being collected from business entities who will now be required to become registered under the new amended registration requirements. The added revenue was determined by estimating the number of new registrants under this section. In the amount for the 2009-2011 biennium, the majority of the amount will be application fees; while in the 2011-2013 biennium, the majority of the revenue will be from renewal fees. At the present time, the state board of registration has approximately 475 COA registrants. As was mentioned earlier, the fee cap on the renewal is proposed to be increased from \$100.00 annually to \$200.00 however this change will only take effect when the state board would take action to implement this change.

**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 area of fiscal impact on expenditures is limited to an increase in the board member per diem rate that was last changed in 1977. At present, board members daily per diem is \$25.00 and is paid to board members while attending meetings of the board of registration or while otherwise engaged in official state board business. This bill proposes increasing the daily per diem rate to \$135.00. This increase will result in a biennial increase in this expenditure category of \$20,240.00 for both the 2009-2011 and 2011-2013 bienniums. The amount was determined by reviewing the previous fiscal year which was viewed as an average year and extending the amounts. These amounts depend on board activity and business, however the state board's last fiscal period was considered to be a valid base upon which to make projections for this purpose. The proposed change will result in a per diem that is comparable with other state boards, commissions and agencies.

**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.*

<b>Name:</b>	Clifford E. Keller	<b>Agency:</b>	ND State Board of Registration for PE/LS
<b>Phone Number:</b>	701-258-0786	<b>Date Prepared:</b>	01/26/2009