

FISCAL NOTE

Requested by Legislative Council
01/04/2011

Bill/Resolution No.: SB 2046

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$5,610,302	(\$112,930)	\$0	(\$112,930)
Expenditures	\$0	\$0	\$5,610,302	(\$112,930)	\$0	(\$112,930)
Appropriations	\$0	\$0	\$5,610,302	\$0	\$0	\$0

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

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$27,490	\$116,818	\$0	\$27,490	\$116,818	\$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 an appropriation for the costs of the State Radio Mobile Data Terminal(MDT)system and addresses fees for MDT and the ND Law Enforcement Telecommunications System(LETS). It also provides an appropriation for 12 additional State Radio towers and the Central Electronics Bank(CEB).

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.*

Section 1. (2) allows local law enforcement agencies using private commercial access to the state message switch an exemption from paying MDT fees. We have identified a loss of revenue of \$110,302 and anticipate additional users that will be exempted at an additional loss of revenue at \$84,128. Section 1. (3) provides an increase in LETS fees for a projected revenue increase of \$81,500. Section 2. appropriates \$110,302 general funds for costs of providing MDT services. Section 3. appropriates \$4.4M for 12 additional State Radio towers and \$1.1M for the State Radio CEB.

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.*

General Fund revenues - Section 2. provides \$110,302 for costs of providing MDT services. Section 3. provides \$4.4M for twelve additional State Radio towers and \$1.1M for the CEB. The net general revenue is \$5,610,302.

Other Fund revenues - Section 1.(2) reduces the State Radio fund by an estimated \$110,302 by exempting local law enforcement agencies from paying MDT fees if they are using private commercial access to the state message switch. This is based on known users of private commercial access. We are also projecting another \$84,128 in reduced revenue for users that will most likely switch to private commercial access. The total projected reduction for this section is \$194,430. Section 3. increases the State Radio fund by an estimated \$81,500 for increased LETS fees. The net State Radio fund revenue is \$112,930.

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.*

General fund expenditures will be increased by \$5.5M as costs are incurred for State Radio Towers and the CEB.

Approximately \$200,000 will be expended from the Operating line for the new towers and the remainder, \$5,300,000, from the Radio Communications line (\$4.2 for towers and \$1.1 for CEB). An additional \$110,302 will also be spent from the operations line for costs of MDT services. This is an offset to lost revenue in the State Radio fund.

State Radio fund expenditures in the operations line are reduced by the net reduction of \$112,930 as explained above in "Revenues" due to a loss of revenue in MDT of \$194,430 and an increase in this fund for LETS fees of \$81,500.

These changes do not affect FTE positions.

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.*

Section 2. provides \$110,302 in general fund appropriations for operational costs of the MDT system to offset lost revenues from Section 1. This appropriation is not in the executive budget.

Section 3. provides \$4.4M in general fund appropriations for twelve additional State Radio towers which includes \$200,000 in operational costs for the new towers. The executive budget has \$2,280,000 for the addition of six State Radio Towers which includes \$180,000 in operational costs for six new towers. Section 3. also includes \$1.1M in general fund appropriations for the CEB. The executive budget also has \$1.1M for the CEB.

Both of these appropriations are projected as expenditures within the same biennium (11-13).

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