

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/16/2017**

Bill/Resolution No.: HB 1399

- 1 A. **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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties			
Cities			
School Districts			
Townships			

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

Under current law, a person engaged in contracting must secure a contractor's license issued by the Secretary of State if the value per construction project exceeds \$4,000. On page 1, line 8, the amount is reduced to \$2,000.

- 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.*

Under existing law, there are four classes of contractor's licenses. With a Class D license, a contractor may engage in a construction project that has a value from \$4,000 to \$100,000. For this licensing cycle, the agency has issued this class of license to 3,429 contractors. The agency is unable to estimate how many additional licenses in this class would be issued if the bottom end value is reduced from \$4,000 to \$2,000.

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.*

See 2B.

- 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.*

Based on the current licensing fees, the revenue received covers the expenditures required to process the applications regardless if the contract value is reduced from \$4,000 to \$2,000.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

None

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