

NARRATIVE FOR FISCAL NOTE ON SB 2486

Our original fiscal note tried to address too many long range contingencies and was, therefore, confusing. This revised fiscal note represents only the immediate impact on special fund revenues and general fund expenditures. There would be some secondary impacts as adjustments and downsizing occurs, but these costs cannot be accurately identified at this time.

SB 2486 if enacted, will eliminate approximately 30% of Rough Rider Industries market base or \$411,000 per/year. Special fund revenues would be lost as a result of:

	YEAR	BIENNIUM
Current Eligible Markets Lost	411,000	822,000
Closing of the Sign Shop	375,000	750,000
Closing of the Metal Shop	<u>75,000</u>	<u>150,000</u>
TOTAL SPECIAL FUND REVENUES LOST	\$861,000	\$1,722,000

If SB 2486 passes, the ND State Penitentiary will ask for additional general fund appropriation to start the following vocational programs to offset the services presently provided by Rough Rider Industries.

I. VOCATIONAL PROGRAMS

Three vocational programs (8-10 inmates per program)

a) Salaries: (3 teachers x \$35,000 x 2 yrs)	=	\$210,000
b) Operating Expense: (\$20,000/yr x 2 yrs)*	=	40,000
*based on current operating costs for 3 programs		
c) Full Time Educational Director: (1/2 position now)		
	\$20,000 x 2yrs	= 40,000
d) Inmate Pay:		
30 Inmates x \$1.65 x 260 days x 2 yrs	=	25,818
e) Start Up Costs: \$10,000 per program	=	<u>30,000</u>

Total Vocational Costs/ Biennium \$345,818

II. INDIGENT INMATES

40 Layins @ \$10.00/mo. x 24 mos.	=	9,600
Includes clothing allowance, postage, legal, photocopying, tobacco, toiletry supplies...		

III. SECURITY OFFICERS

6 Officers (2 per shift) to oversee additional inmate lay-ins 6 x \$30,000/yr. x 2 yrs.	=	\$360,000
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IV. UTILITIES AND INSURANCE BLDG. A = 25,000

TANGIBLE COSTS ABSORBED BY NDSP \$740,418