15.0686.04000

FISCAL NOTE

Requested by Legislative Council
02/19/2015

Amendment to: HB 1390

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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	**Other Funds**	**General Fund**	**Other Funds**	**General Fund**	**Other Funds**
Revenues						
Expenditures			$150,000		$155,938	
Appropriations			$150,000		$155,938	

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 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).*

This new section of NDCC requires the Department of Health to license commercial oilfield special waste recyclers of oilfield special waste from oil and gas drilling and production operations, to adopt rules governing the operations of such facilities and to examine the premises and facilities.

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 of Reengrossed HB1390 will create and enact Chapter 23-29-04.2 of the North Dakota Century Code and will require the department to license commercial oilfield special waste recyclers, adopt rules governing these operations, examine records and property, conduct inspections and corrective actions and, as a condition of licensure, states the department shall require these facilities to post a bond payable to the state.

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.*

No revenue is anticipated during the 2015-2017 biennium as fees authorized under this bill must be established by rule. At this time we believe the number of waste recyclers to be low. However, if the legislation is passed, we anticipate the numbers will increase as the law will further define these facilities. Some fee revenue may be generated during the 2017-2019 biennium once fees are established by rule. Additionally, we are unable to determine the revenue to be received regarding the cost of any inspection for which a facility is responsible to pay.

Finally, the law is unclear whether the fees collected from licensing and from the cost of inspection are to be deposited into the general fund or the Department's operating fund.

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.*

2015-17 Biennium:
The estimated expenditures of $150,000 include the addition of 1 FTE at a cost of $137,097 and operating expenses of $12,903 for travel, the purchase of one-time computer and office furniture and general operation costs.

2017-19 Biennium:
The estimated expenditures of $155,938 include salaries of $145,977 (inflated 4%) and operating costs of $9,961 (inflated approximately 3%).

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.*

Since these expenditures or the FTE are not included in the Executive Budget (HB 1004) and the appropriation previously contained in this bill was removed, an appropriation and FTE are needed.

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Date Prepared: 02/20/2015