

FISCAL NOTE
Requested by Legislative Council
12/23/2016

Revised
 Bill/Resolution No.: SB 2119

- 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	\$0	\$0	\$1,762,187	\$2,175,235	\$0	\$0
Expenditures	\$0	\$0	\$0	\$25,000	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

- 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	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 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).*

The bill allows for the sale of property by Job Service. As federal funding has declined, Job Service is seeking cost effective options to continue operations. Property management and maintenance has become increasingly costly and sharing space or leasing facilities may provide cost savings.

- 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.*

Each section of the bill provides a fiscal impact. Revenues noted represent the proceeds from potential sales and expenditures noted represent the commercial appraisal fees associated with selling property. Property values utilized are the insured value as appraisals providing actual current value have not been completed.

Although it is unknown whether property sales could actually occur within the 2017-2019 biennium, all expenditures and revenues were noted within that timeframe.

Federal law requires that federal funds used to purchase real property be utilized by the same program providing the funds in the event of a property sale. The funds would not be returned to the federal government but would be utilized by these programs in North Dakota. The federal funds originally utilized to purchase the property were provided by the Wagner-Peyser program and the Unemployment Insurance program. General Fund dollars were also utilized for a portion of the purchase of the Bismarck Central Office and the Minot Office.

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 revenues noted in the 2017-2019 biennium represent the proceeds from the sale of the properties. Revenues shown are the insured value as actual current market value of the properties is unknown. The property value and funding sources along with the percentage allocated to each funding source are as follows:

Rolla - Wagner Peyser 30.675% (\$26,433.63); Unemployment Insurance 69.325% (\$59,739.58); Total Asset value -

\$86,173.21

Minot - Wagner Peyser 50.586% (\$463,063.65); Unemployment Insurance 47.111% (\$431,253.54); General Fund 2.303% (\$21,081.63); Total Asset value - \$915,398.82

Central Office - Wagner Peyser 30.673% (\$900,513.20); Unemployment Insurance 10.022% (\$294,230.86); General Fund 59.305% (\$1,741,105.71); Total Asset value \$2,935,849.77

- 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.*

Expenditures noted are the cost of required property appraisals. Federal funds will be utilized to pay for the commercial appraisals. No FTE positions will be affected.

- 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.*

No appropriation noted.

Name: Darren Brostrom

Agency: Job Service North Dakota

Telephone: 701-328-2843

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