

**FISCAL NOTE**  
**SENATE BILL NO. 2184**  
**LC# 23.0588.01000**  
**01/13/2023**

**1 - 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.*

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>						\$442,281
<b>Expenditures</b>						\$442,281
<b>Appropriations</b>						\$442,281

**2 - County, City, School District, and Township Fiscal Effect**

*Identify the fiscal effect on the appropriate political subdivision.*

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
<b>Counties</b>			
<b>Cities</b>			
<b>School Districts</b>			
<b>Townships</b>			

**3 - 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 creates a new chapter to title 43 of the NDCC and amends section 54-10-01 and 54-10-27. The changes to 54-10-27 have a fiscal impact.

**4 - Fiscal Impact Sections Detail**

*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.*

The bill changes 54-10-27 to require the state auditor to conduct annual audits of occupational or professional boards effective January 1, 2026. In order to comply with the changes, two additional special fund FTE would be required as would the normal operating costs of the FTE.

## 5 - Revenues Detail

*For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The special fund of the State Auditor's Office is self-funded and relies solely on revenue from its clients. With the changes in the bill, the two requested FTE would need to create enough revenue to cover their cost.

## 6 - Expenditures Detail

*For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

14 of the 40 occupational boards exceed the \$200,000 threshold that requires an audit. The 14 boards would require annual audits. To complete the 14 financial statement audits annually, two new special fund FTE would be needed. The cost of salaries and operating for the FTE equals \$442,281 each biennium, not including legislative increases.

## 7 - Appropriations Detail

*For information shown under state fiscal effect in 1 or 2, please 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.*

Additional special fund appropriations would be needed to fund the two new FTE required to complete the audits.

## Contact Information

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