

(prepare in triplicate)

FISCAL NOTE

prepared in regard to:

SB 2307

(List bill or resolution and number, if available, or subject)

Amendment to: _____

(List bill or resolution and number

Legislative Council

1-23

75

Requested by: _____

Date of receipt: _____

19 _____

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed, attach a supplementary sheet. (Please type)

This move would have direct costs of \$338,400.00. There would be other costs such as associated costs, opportunity costs, and social costs which are described on the attached sheet.

Date of preparation: _____

1-29-75

Signed _____

W. Van Heuvelen
W. Van Heuvelen

Typed Name- _____

Health Department

Department _____

Cost of planning move	
360 hours X \$15.00	\$5,400.00
Relocation	
Moving office furniture	10,000.00
Employee moving (50 employees)	50,000.00
Temporary employee displacement cost	60,000.00
Training costs (68 new employees)	136,000.00
Increased travel costs each to Bismarck (est.)	
6 employees \$30/day @ 100 days	18,000.00
Increased travel costs to Western North	
Dakota (est.)	24,000.00
Increased rent in building cost	35,000.00
TOTAL	\$338,400.00

Associated costs:

There would be considerable cost to the public, industry, and municipalities for inconvenience. Services by the State Department of Health would be practically eliminated for one month for the period prior to, during the move, and during the resettlement. There is no doubt it would take a period of six months before full operations would again be established. For example, if all birth and death certificates were moved, none would probably be processed one week prior the move and several weeks following the move. Anyone wishing to receive a birth certificate for foreign travel, they would find it impossible to secure a copy during this month. This also would be true for death certificates used in settling estates and family claims. A majority of the employees in Vital Records are single and might not make the move to Grand Forks. This would require training many new employees. This office handles approximately 200 pieces of mail per day and it is conceivable this mail would accumulate for a month and might take a long time with present staff size to reach the level of production which is presently enjoyed in this Division. The same problem would exist in some degree in every program in the Department.

Opportunity costs:

Clients, those persons who rely on services of the Health Department, will certainly suffer by the transition of moving to Grand Forks and while the offices are located in Grand Forks. Most of the programs of the State Health Department should operate out of the State Capitol. Industry and commercial people are used to calling the State Capitol for services of the Department. They would be inconvenienced and have increased costs in traveling to Grand Forks.

Social costs:

There would be considerable social costs to the employees of the State Department of Health. It is estimated that 50% of the employees would choose to remain in Bismarck and would be forced to seek new employment. Those who do move, many with long tenure with the Department, would suffer family inconveniences and problems during and following the move. We believe there would be considerable cost and inconvenience to the Government in having one of its major Departments housed outside the State Capitol City and away from the general workings of State Government.