

FISCAL NOTE

Requested by Legislative Council
12/26/2000

Bill/Resolution No.: HB 1179

Amendment to:

1A. **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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$56,034,067		
Expenditures				\$77,467,020		
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
				\$400,000				

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill re-establishes the Intergovernmental Transfer (IGT) Program that was established by Senate Bill 2168 of the 1999 Legislative Assembly. Senate Bill 2168 contained a sunset date of June 30, 2001. This bill, if passed, would continue the Long-term Care Loan Fund and the Health Care Trust Fund. This bill would also change the rate of interest on current and future loans to two percent, would identify the purposes for which the loans can be used, and reserve a minimum balance of \$13 million as a contingency relating the first year payment issues with the Federal government (Health Care Financing Agency). Additionally, the funds generated by this program have been appropriated in the Executive Budget for use by the Department of Human Services. The cities of McVile and Dunseith would receive additional revenue of \$400,000 to be retained from the pool payments.

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.*

Revenue would be generated from the following sources: 1) the federal government - Medicaid program - for the initial pool payments; 2) IGT payments returned to the Department from McVile and Dunseith; 3) the principle and interest from the loan repayments; and 4) interest income earned on the balance in the 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.*

The expenditures are for the initial pool payments to McVile and Dunseith along with the services and projects proposed and included in the Executive Budget including the \$13,000,000 proposed to be reserved until final resolution of issues raised by the Federal Government.

The estimated impact on revenues cannot be anticipated at this point for the 2003 - 2005 biennium as the federal government is limiting the amount of revenue available through the intergovernmental transfer program and the interest earnings cannot be anticipated until the legislature approves the use of the funds this biennium which will effect the fund's balance. The amount available for expenditures for the 2003 - 2005 biennium are also dependent on the remaining balance in the fund after the 2001 - 2003 beinnium expenditures are approved. In addition, the expenditures cannot be determined until the intentions of the 2003 - 2005 executive buget are developed.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

The appropriation of the Department of Human Services would not be affected as the amounts listed above are included in the Executive Budget for the Department.

Name: Brenda M. Weisz
Phone Number: 328-2397

Agency: Department of Human Services
Date 01/04/2001
Prepared: