

FISCAL NOTE

Requested by Legislative Council

01/22/2003

Bill/Resolution No.: SB 2265

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.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$130,000	\$0	\$30,000	\$0
Expenditures	\$0	\$0	\$130,000	\$0	\$30,000	\$0
Appropriations	\$0	\$0	\$130,000	\$0	\$30,000	\$0

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

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

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

The NDUS has one of two options available to meet the requirements of SB2265: 1.) use current IVN facilities to provide access at all 11 sites; 2.) develop and dedicate special use IVN facilities.

For regular SBHE meetings held during the period Sept. 2002 to May 2003, IVN facilities were only available one day (out of fifteen) where all 11 campuses sites could have been simultaneously connected to the meeting utilizing the current IVN facilities. IVN provides support for classes and meetings from 7 am to 10 pm Monday through Saturday and 2 pm to 10 pm on Sunday. Program degree classes have first priority for scheduling on IVN; credit classes have second priority; and meetings and other events have third priority. This option would require that either fewer academic programs or courses be offered to free up existing IVN facilities for SBHE meetings or classes would have to be cancelled or relocated as meetings occur.

New dedicated IVN facilities, for SBHE meeting use, would require an additional state general fund appropriation of \$260,000 in 03-05 for the purchase of new videoconferencing equipment at 11 sites, monthly fixed line charges for the network use, local area network retrofitting and personnel support for the new rooms. (This does not include the cost, nor recognize the ability, of the campuses to set-aside or dedicate another classroom to this purpose.) Ongoing operating costs thereafter would be approximately \$30,000 per year. This alternative would ensure access to all 11 sites simultaneously without interruption to the delivery of academic programs.

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.*

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.*

There would be no additional costs for utilization of the existing IVN facilities, if available (\$0 cost). However, an expenditure of \$260,000 would be required in 03-05 to add 11 new dedicated sites for SBHE meeting used. This includes one time costs in 03-05 for the purchase of in-room videoconferencing equipment and local area network retrofitting. 03-05 and 05-07 estimates also includes estimated annual operating costs of \$30,000 for monthly network line charges and personnel support costs. The estimated expenditures would range from \$0 to \$260,000 in 03-05 (midpoint of \$130,000 reflected in part 1A) and \$0 to \$60,000 for 05-07 (midpoint of \$30,000 reflected in part 1A)

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.*

A state general fund appropriation would be required to cover the expenditures outlined above since there is no funding appropriated in the NDUS budget for this purpose.

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Agency: NDUS
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