

FISCAL NOTE

Requested by Legislative Council
02/12/2003

Amendment to: HB 1405

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						
Expenditures						
Appropriations						

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.*

This bill provides that entities having State Fleet vehicles valued less than \$2,000 that are not driven beyond 30 miles from their assigned facility can be exempted from inclusion in the fleet.

While it is impossible to accurately assess the fiscal impact of this bill at this time, we can provide some general fiscal information that may be informative.

We estimate approximately 62 units in the fleet would meet the \$2,000 value criteria in the coming biennium. We don't know how many of these vehicles would meet the 30 mile criteria and be requested for exclusion from the fleet, thus we cannot accurately determine the fiscal impact. However, we do know that if a majority of those vehicles were removed from the fleet, the remaining vehicles in the affected groups would have to continue to absorb all of the fixed costs and remaining vehicle replacement costs that have not yet been fully amortized. As a result, the current rates for those groups would likely be negatively impacted, which could result in higher per mile costs to the remaining user agencies.

Regarding the agencies that choose to remove vehicles from the fleet, it is possible they may experience increased costs per mile in some cases.

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.*

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.*

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