

FISCAL NOTE

Requested by Legislative Council
04/22/2005

Amendment to: HB 1195

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$134,540	\$0	\$7,440
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

Implementing this Bill will require substantial programming of our mainframe Unemployment Insurance (UI) computerized system. There is Federally approved software for detecting SUTA dumping that will need to be interfaced with the mainframe, and data bases will have to be coordinated. We estimate that the programming and testing costs will cost the Agency \$127,100; plus an additional \$7440 in operating expenses for server hosting costs at ITD (\$310 per month). This additional expenditure is not covered by the anticipated revenues we will receive from the Federal government for operation of our Agency, so we will have to reduce operations in some other area to encompass this expenditure. Increasing our appropriation will not help, as our appropriation request already encompasses all of the Federal revenue we anticipate receiving during the 2005-2007 biennium. The only way an increase in appropriation would be helpful would be if it appropriated funds from the General Fund, or from a new funding source.

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.*

This Bill will result in no additional revenue for the Agency.

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.*

This Bill will cause additional expenditures for programming our mainframe to carry out the required operations (\$127,100); plus \$7440 for server hosting charges from ITD (\$310 per month x 24 months), for a total of \$134,540.

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.*

Increasing our appropriation of other funds will have no effect, as our appropriation request already includes all of the

anticipated Federal funding that we anticipate receiving.

Name: John Graham
Phone Number: 701-328-2835

Agency: Job Service
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