

FISCAL NOTE
Requested by Legislative Council
12/19/2014

Revised
 Bill/Resolution No.: HB 1053

- 1 A. **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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$6,193,713	\$0	\$3,867,240
Expenditures	\$0	\$0	\$5,185,737	\$7,201,689	\$3,283,800	\$4,450,680
Appropriations	\$0	\$0	\$5,185,737	\$7,201,689	\$3,283,800	\$4,450,680

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB1053 would require 29 state agencies to obtain desktop support services from ITD. Section 1 of the bill requires ITD to provide desktop services to these 29 agencies.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

HB1053 has the following fiscal impact from Section 1 of the bill. 10 of the 29 agencies have already requested these services from ITD and the funding impact for those 10 agencies is included in the Governor's budget. This fiscal note includes the impact for all 29 agencies. Four desktop support FTE will be added to ITD's staff (2.00 are already included in the executive recommendation) to support the staffing to computer ratios recommended in the Desktop Study report.

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.*

2015-17: Revenue that will be received from agencies for desktop services is \$6,193,713 (including \$873,659 in the Executive Recommendation).

2017-19: \$3,867,240 for Special Fund Revenue that will come to ITD from rates charged to State Agencies

- 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 following items are the double expenditure impact that must be reflected in agency budgets since ITD receives its funding from charges to agencies.

2015-17:

\$6,193,713 in Special Fund Expenditures in ITD's budget for six incremental FTE's, hardware, software and operating expenses to provide the desktop support services to state agencies.

\$5,185,737 for General Fund Expenditures in agency budgets for fees from ITD; \$1,007,976 for Other Fund Expenditures and for Other Fund Appropriations in agency budgets for fees from ITD.

2017-19:

\$3,867,240 in Special Fund Expenditures in ITD's budget for staffing, hardware, software and operating expenses to provide the desktop support services to state agencies.

\$3,283,800 for General Fund Expenditures and \$583,440 for Other Fund Expenditures in agency budgets for fees from ITD.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The following items are the double appropriation impact that must be reflected in agency budgets since ITD receives its funding from charges to agencies. Assuming each affected agency has normal line item appropriations these appropriations would all be line 30 appropriations.

2015-17:

\$6,193,713 in Special Fund Appropriations in ITD's budget for six incremental FTE's, hardware, software and operating expenses to provide the desktop support services to state agencies. The appropriation would be in Fund 780 with \$1,179,068 in line 10 and the remaining appropriation in line 30.

\$5,185,737 for General Fund Appropriations in agency budgets for fees from ITD; \$1,007,976 for Other Fund Appropriations in agency budgets for fees from ITD. Included in those appropriations is \$802,328 general fund authority and \$71,331 other fund authority in agency budgets in the executive recommendation.

2017-19: \$3,867,240 in Special Fund Appropriations in ITD's budget for staffing, hardware, software and operating expenses to provide the desktop support services to state agencies. The appropriation would be in Fund 780 with \$1,179,068 in line 10 and the remaining appropriation in line 30.

\$3,283,800 for General Fund Appropriations and \$583,440 for Other Fund Appropriations in agency budgets for fees from ITD.

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HB 1053 Fiscal Note Worksheet

Agencies Included in HB 1053

Agencies included in Executive Recommendation	One-Time		Cost for 2015-2017 Biennium					2017-2019 Biennium		
			Ongoing		Total One-time and Ongoing			Total		
	General	Other	General	Other	General	Other	Total	General	Other	Total
Center for Tobacco		35,371		21,460	-	56,831	56,831		40,560	40,560
Council on the Arts			15,800		15,800	-	15,800	17,280		17,280
Dept of Agriculture			352,912		352,912	-	352,912	317,760		317,760
Dept of Labor			46,118		46,118	-	46,118	32,640		32,640
Indian Affairs	9,775		12,000		21,775	-	21,775	15,120		15,120
Protection and Advocacy			132,838		132,838	-	132,838	83,280		83,280
Secretary of State *	77,805		96,000		173,805		173,805	102,240		102,240
State Treasurer			20,880		20,880	-	20,880	27,840		27,840
State Auditors			69,200	14,500	69,200	14,500	83,700	167,760	-	167,760
Securities			46,805		46,805	-	46,805	36,960		36,960
Total Executive Recommendation:	87,580	35,371	792,553	35,960	880,133	71,331	951,464	800,880	40,560	841,440
Agencies without Appropriation										
Admin Hearings		9,150		14,400	-	23,550	23,550		14,400	14,400
Aeronautics	12,230		17,280		29,510	-	29,510	17,280		17,280
Career and Tech Ed	106,750		123,840		230,590	-	230,590	123,840		123,840
Commerce	190,160		221,280		411,440	-	411,440	221,280		221,280
Trust Lands		93,145		138,720	-	231,865	231,865		138,720	138,720
Dept of Public Instruction	242,510		363,360		605,870	-	605,870	363,360		363,360
Financial Institutions		65,015		89,040	-	154,055	154,055		89,040	89,040
Governor's Office	45,585		52,920		98,505	-	98,505	52,920		52,920
Historical	308,590		373,200		681,790	-	681,790	373,200		373,200
Insurance		87,770		132,720	-	220,490	220,490		132,720	132,720
Legal Council	122,275		148,080		270,355	-	270,355	148,080		148,080
ND Public Employees		77,370		94,080	-	171,450	171,450		94,080	94,080
Office of Management and Budget	200,150		290,400		490,550	-	490,550	290,400		290,400
Parks & Rec	204,725		297,600		502,325	-	502,325	297,600		297,600
Retirement and Investment		61,315		73,920	-	135,235	135,235		73,920	73,920
School for Deaf	152,426		237,600		390,026	-	390,026	237,600		237,600
State Library	128,638		208,800		337,438	-	337,438	208,800		208,800
University System	81,750		93,600		175,350	-	175,350	93,600		93,600
Veterans Affairs	26,895		54,960		81,855	-	81,855	54,960		54,960
Total Other Agencies	1,822,684	393,765	2,482,920	542,880	4,305,604	936,645	5,242,249	2,482,920	542,880	3,025,800
Total All Agencies	1,910,264	429,136	3,275,473	578,840	5,185,737	1,007,976	6,193,713	3,283,800	583,440	3,867,240

*One-time Secretary of State \$77,805 not included in Executive Recommendation