

FISCAL NOTE
Requested by Legislative Council
12/19/2014

Revised
 Bill/Resolution No.: SB 2051

- 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	\$1,480,000	\$0	\$1,304,000
Expenditures	\$0	\$0	\$521,000	\$2,439,000	\$474,150	\$2,133,850
Appropriations	\$0	\$0	\$521,000	\$2,439,000	\$474,150	\$2,133,850

- 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).*

SB2051 would remove the hosting exemption for the State Water Commission, Public Service Commission and Industrial Commission and require these three state agencies to host their data and servers with ITD.

- 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.*

SB2051 recommends no hosting waivers. Based on input from ITD this fiscal note accounts for full consolidation of the Public Service Commission and Industrial Commission data and servers. Only a portion of the State Water Commission (SWC) data and servers are included in this fiscal note. The SWC has existing applications written in 4D and hosted on an Apple platform. Both ITD and the SWC agree that migrating the existing 4D applications requires more study to determine if there is a viable timeline for migrating these services to another platform that could be hosted by ITD. ITD and the SWC have identified a subset of existing servers and data that have potential to be consolidated and these servers and applications are included in the fiscal note for the 15-17 and 17-19 bienniums.

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.*

15-17: \$1,480,000 special fund revenue will come to ITD from rates charged to State Agencies.

17-19: \$1,304,000 special fund revenue 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.*

2015-17:

\$1,480,000 in Special Fund Expenditures in ITD's budget for hardware, software and operating expenses to provide

the consolidated hosting services to the three state agencies. The appropriation would be in Fund 780 with \$398,000 in line 50 and the remaining appropriation of \$1,082,000 in line 30.

The following items are the double expenditure/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.

\$521,000 for General Fund Expenditures and for General Fund Appropriations in agency budgets for fees from ITD;
\$959,000 for Other Fund Expenditures and for Other Fund Appropriations in agency budgets for fees from ITD.

2017-19:

\$1,304,000 in Special Fund Expenditures and Appropriations in ITD's budget for hardware, software and operating expenses to provide the consolidated hosting services to the three state agencies. The appropriation would be in Fund 780 with \$59,700 in line 50 and the remaining appropriation of \$1,244,300 in line 30.

The following items are the double expenditure/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.

\$474,150 for General Fund Expenditures and for General Fund Appropriations in agency budgets for fees from ITD;
\$829,850 for Other Fund Expenditures and for Other Fund Appropriations 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.*

2015-17:

\$1,480,000 in Special Fund Expenditures and Appropriations in ITD's budget for hardware, software and operating expenses to provide the consolidated hosting services to the three state agencies. The appropriation would be in Fund 780 with \$398,000 in line 50 and the remaining appropriation of \$1,082,000 in line 30.

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\$521,000 for General Fund Expenditures and for General Fund Appropriations in agency budgets for fees from ITD;
\$959,000 for Other Fund Expenditures and for Other Fund Appropriations in agency budgets for fees from ITD.

2017-19:

\$1,304,000 in Special Fund Expenditures and Appropriations in ITD's budget for hardware, software and operating expenses to provide the consolidated hosting services to the three state agencies. The appropriation would be in Fund 780 with \$59,700 in line 50 and the remaining appropriation of \$1,244,300 in line 30.

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SB 2051 Fiscal Note

Expenditures/Appropriations

	2015-2017			2017-2019		
	General	Other	Total	General	Other	Total
ITD		1,480,000	1,480,000		1,304,000	1,304,000
State Water Commission		959,000	959,000		829,850	829,850
Public Service Commission	292,000		292,000	267,800		267,800
Industrial Commission	229,000		229,000	206,350		206,350
Total	521,000	2,439,000	<u>2,960,000</u>	474,150	2,133,850	<u>2,608,000</u>