

FISCAL NOTE
Requested by Legislative Council
01/16/2017

Revised
 Bill/Resolution No.: HB 1331

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$900,000		\$900,000
Expenditures				\$3,081,250		\$3,081,250
Appropriations						

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties			
Cities			
School Districts			
Townships			

- 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).*

The proposed legislation would establish taking away private sewage disposal inspections and certifications from the District Health Units and forcing it upon the North Dakota State Plumbing Board.

- 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.*

The North Dakota State Plumbing Board would have to hire inspectors and office staff; purchase vehicles, computers and equipment; find new office space; modify the new website and content management system, etc.; as well as incur all the other expenses associated with taking on a new regulatory division.

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.*

\$450,000.00 PER YEAR

Currently, District Health Unit's permit and certification fees range between \$125.00 and \$400.00 to inspect and certify private sewage disposal systems. The estimate of revenue is based on an above average median fee of \$300.00 per private sewage disposal system with an estimated 1,500 disposal systems installed on a yearly average basis in North Dakota.

In order to balance the budget with expenditures and revenue, the North Dakota State Plumbing Board would have to charge an inspection and certification fee of \$1,029.51 for each private sewage disposal system.

- 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.*

\$975,000.00 – Salaries and benefits for 13 inspectors
\$150,00.00 - Salaries and benefits for 2 office staff
\$14,400.00 – Additional Office space
\$243,425.00 - Vehicle expenses
\$3,000.00 – Office supplies
\$6,500.00 – Printing
\$5,000.00 – Postage
\$18,800.00 – Cell phones (monthly fee)
\$50,000.00 – Modification to website and content management system (IT Support)
\$34,500.00 - Computers and cell phones
\$5,000.00 – Risk Management insurance
\$10,000.00 – Attorney fees and audit
\$22,500.00 – Continuing education and training
\$1,500.00 – Membership/subscription fees
\$1,000.00 – Miscellaneous charges

\$1,540,625.00 per year or \$3,081,250.00 per biennium

- 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 proposed bill would force the North Dakota State Plumbing Board to incur a budget deficit of \$2,181,250.00 per biennium.

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