

FISCAL NOTE
Requested by Legislative Council
12/21/2018

Revised
 Bill/Resolution No.: SB 2081

- 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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0		
Expenditures	\$0	\$0	\$0	\$(139,005)		
Appropriations	\$0	\$0	\$0	\$0		

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 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).*

The bill allow the Department of Trust Lands to use continuing authority for all building repairs which aligns the Department with other agencies who own buildings. The bill will allow the Department to complete due diligence trips as it relates to investments.

- 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.*

Per N.D.C.C. § 15-03-16. Continuing appropriation for investments. There is appropriated annually the amounts necessary to pay costs related to investments controlled by the board of university and school lands, including investment management fees, trustee fees, consulting fees, custodial fees, and the cost of capitalized building repairs and renovations as approved by the board. Each payment must be made from the trust fund for which the investment is made.

Currently, expenditures under \$5,000 must be paid through the Department's operating budget which potentially impedes the Department from making necessary repairs to the building. Approval for continuing authority for building repair costs will allow the costs to be paid from the trust funds and will remove \$139,005 from the 19-21 biennial operating budget. These costs include: snow removal, elevator repair, fire alarm repair, heating and air conditioner repair, etc.

The Department is also seeking to modify N.D.C.C. § 15-03-16 to allow for the Investments Division to allow for audits and reviews of investment managers. This will not deduct from current budgeted expenses but will allow for a higher degree of due diligence for invested funds. The exact fiscal impact from year-to-year can vary dependent upon fund manager performance.

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.*

N/A

- 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.*

N/A

- 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.*

N/A

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Date Prepared: 12/27/2018