

FISCAL NOTE
HOUSE BILL NO. 1093
LC# 23.8065.01000
12/30/2022

1 - 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.

| | 2021-2023 Biennium | | 2023-2025 Biennium | | 2025-2027 Biennium | |
|----------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | \$105,000 | | |
| Expenditures | | | | \$8,000 | | |
| Appropriations | | | | | | |

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

| | 2021-2023 Biennium | 2023-2025 Biennium | 2025-2027 Biennium |
|------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

Authorizes Job Service to sell a vacant lot located directly west of the Grand Forks Workforce Center. We do not utilize the lot for any purpose. Fiscal impact would be an expenditure for two commercial appraisals and income from the sale of the property.

4 - Fiscal Impact Sections Detail

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 bill contains only one section. This section provides Job Service North Dakota (JSND) authorization to sell the property. The property was purchased with Federal funding, because of this, Federal law dictates how sale proceeds are to be disbursed, requiring that proceeds of any sale be returned to the program from which the funding originated. In the case of the vacant lot, the Unemployment Insurance program, Wagner-Peyser program, Workforce Innovation and Opportunity Act program, and the Federal Advance Interest Repayment Account provided the funding for the acquisition of the property and any sale proceeds would be returned to these programs/accounts for use in North Dakota.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

The revenue noted reflects the proceeds of the sale of the lot. Until an appraisal is completed, we don't have a true number as to what the revenue will be. As a result, we have researched current property values and sales to establish a value of the property at this time. This amount is \$105,000. The actual number may vary based upon the appraisals and ultimately the Courthouse sale that is dictated by law. It should be noted that Federal law requires that we accept no less than 90% of fair market value for the property and cannot simply transfer ownership at no cost or a cost not equal to or greater than this amount to an entity not providing Unemployment Insurance, Wagner Peyser, or Workforce Innovation and Opportunity Act program services.

Revenues reflected will be split between the Federal programs funding the building, with 10% of the revenues going to the Unemployment Insurance program, 13% of the revenues going to the Wagner Peyser program, 4% of the revenues going to the Workforce Innovation and Opportunity Act program, and 73% being deposited into the Federal Interest Advance Repayment fund. The revenues received by the programs will be utilized to provide services to citizens related to the noted programs.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Expenditures noted are the cost of required property appraisals. Federal funds will be utilized to pay for the commercial appraisals. No FTE positions will be affected.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please 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.

No new appropriation is requested. Job Service appropriation bills contain a provision allowing for a continuing appropriation of Federal funds received. This is due to the sporadic and unknown funding amounts that the US Department of Labor provides to Job Service for the continuation/operation of the Federal programs administered by Job Service.

Contact Information

Name: Darren Brostrom

Agency: Job Service North Dakota

Telephone: 7013282843

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