

FISCAL NOTE
HOUSE BILL NO. 1541
LC# 25.0795.02000
02/17/2025

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.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$100,000		\$100,000
Expenditures			\$234,000	\$100,000	\$234,000	\$100,000
Appropriations						

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

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 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).

House Bill 1541 creates a new chapter in North Dakota Century Code that authorizes the Department of Environmental Quality (DEQ) to adopt rules regarding the licensing, permitting and inspections of sewer, septic and private water system. This would be a new program in the DEQ.

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.

House Bill 1541 Section 1 designates the DEQ to adopt rules regarding the licensing, permitting, and inspections of sewer, septic and private water system. This would be a new program in the DEQ which would require funding for a full-time equivalent (FTE), temporary payroll, and associated operating cost. The FTE would be an Environmental Scientist with the additional temporary salaries to assist with administration of the program. The operating costs

would support travel (board & employee), supplies, rent, IT data processing, IT telephone, legal, and operating fees.

House Bill 1541 Section 3 requires the state plumbing board transfer the remaining funds relating to the regulation of septic tanks and septic systems at the biennium end to the DEQ.

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.

House Bill 1541 Section 1 requires the DEQ to adopt rules regarding licensing. The DEQ would license the installers with an estimate of 200 installers in the state with annual licensing at \$250/license. The \$100,000 per biennium special fund revenue would be deposited into the DEQ's operating fund.

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.

The DEQ is budgeting a total of \$334,000 of which \$305,155 would be in the salaries and wages line. The salaries and wages would fund an Environmental Scientist (\$266,655) to run the program and temporary salaries and fringe to support the program (\$38,500). In the operating expenses line a total of \$28,845 is budgeted to support operating cost for the FTE and to fund program. The operating expense line includes travel budget for staff and advisory committee (\$10,000), professional supplies (\$500), rent (\$2,400), IT data processing/equipment (\$8,005), IT telephone (\$800), professional development (\$1,000), operating fees to publish rules in newspaper (\$3,000), and professional service for legal assistance (\$3,140).

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.

The DEQ would require general fund appropriation authority of \$234,000 and special fund appropriation authority \$100,000 to implement the program, totaling \$334,000. This includes \$305,155 for salaries and wages (\$182,661 salaries, \$35,000 temporary salaries, and \$87,494 benefits) and \$28,845 for operating expenses. Additionally, the DEQ would need authority to add one full-time equivalent (FTE) position.

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