

FISCAL NOTE

Requested by Legislative Council
01/22/2001

Bill/Resolution No.: SB 2271

Amendment to:

1A. **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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$5,850,000	\$0	\$6,512,000
Expenditures	\$0	\$0	\$0	\$5,796,691	\$0	\$6,510,210
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$136,400	\$136,400	\$0	\$151,800	\$151,800	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Job Service will need to establish and operate a fee collection system for the workforce training assessment. **It is important to note that Job Service does not have a source of funds to establish the fee collection system and initiate the first assessment. For purposes of development of this Fiscal Note, the assumption is made that the bill will be amended to provide Job Service with borrowing authority to finance the start-up.**

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.*

Revenue comes from the workforce training assessment fee of one-tenth of one percent of taxable wages paid during each calendar year by employers (assumed to be defined as set forth in Chapter 52-04), excluding employers with twenty-five or fewer employees, and private and public elementary and secondary schools.

The first assessment would be made on May 1, 2002 for calendar year 2001 "taxable wages" and annually thereafter each May 1st.

The estimated revenue for the 01-03 biennium would be \$5,850,000. The estimated amount of revenue is from the following categories of employers: private sector and nonprofits \$5,041,300, state government \$535,900, and local government \$272,800. Local government is Counties and Cities combined. We are not able to provide a breakout

between Counties and Cities, but have shown an equal split of the combined amount for each in Section 1B.

The estimated revenue for the 03-05 biennium would be \$6,512,000. The estimated amount of revenue is from the following categories of employers: private sector and nonprofits \$5,611,800, state government \$596,600, and local government \$303,600. Local government is Counties and Cities combined. We are not able to provide a breakout between Counties and Cities, but have shown an equal split of the combined amount for each in Section 1B.

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.*

Expenditures for the 2001-2003 biennium include \$198,176 for Job Service administrative costs and \$5,598,515 in allocations to the four regional workforce training investment boards. The Job Service expenditures include: \$89,784 in salaries and benefits for 1.5 permanent FTE, \$61,092 for operating expenses, and \$47,300 for equipment.

Expenditures for the 2003-2005 biennium include \$131,287 for Job Service administrative costs, and \$6,378,923 in allocations to the four regional workforce training investment boards. The Job Service expenditures include: \$95,252 in salaries and benefits for 1.5 permanent FTE, and \$36,035 for operating expenses.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

This bill provides a continuing appropriation for the expenditures.

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		Prepared:	