

FISCAL NOTE
Requested by Legislative Council
01/18/2007

Bill/Resolution No.: SB 2292

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$321,859	\$0	\$311,147	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2292 would move the Office of Independent Review from WSI to the Department of Labor. The fiscal impact is associated with collocating OIR and the Department of Labor, the addition of an attorney to OIR's staff, and on-going IT desktop support.

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.*

Section 1 of this bill requires the collocation the Department of Labor and the OIR. We believe that Section 2 necessitates adding an attorney to OIR's staff and providing on-going desktop support to replace that which would no longer be provided by WSI.

Detailed expenditure estimates are provided below in Question 3B.

Assumptions include:

- * Sufficient office space for collocation is not available at either the State Capitol or OIR's current leased space, therefore, alternative office space would need to be obtained.
- * An attorney would need to be added to the OIR staff.
- * WSI would continue to provide OIR staff with any needed support for and access to their claims system at no cost, but would discontinue the "regular" (non-claims system) IT desktop support services it currently provides through its internal IT personnel.

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 - This bill would have no effect on revenues.

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.*

Lease of office space for Dept of Labor staff - \$67,454 (per biennium)

Attorney salary and benefits – \$228,600 (per biennium)

Moving costs - \$8,300 (one time)

IT costs associated with move - \$14,625 (one time)

Additional IT desktop support costs to replace those that WSI currently provides to OIR through their own IT personnel – \$2,880 (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 is also included in the executive budget or relates to a continuing appropriation.*

The bill indicates the WSI "shall fund the office of independent review in accordance with legislative appropriation." This fiscal note identifies those items we understand are not included in current funding of the OIR.

The Department of Labor's appropriation in the Executive Budget Recommendation does not include funding for the costs associated with SB 2292. Therefore, additional funding as detailed above would be necessary.

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