

FISCAL NOTE
Requested by Legislative Council
01/26/2007

REVISION

Bill/Resolution No.: SB 2398

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 | | | | | | (\$29,500,000) |
| Expenditures | | | \$110,000 | | (\$10,881,000) | (\$29,500,000) |
| Appropriations | | | \$110,000 | | (\$10,881,000) | |

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 |
| | | | | | | | | |

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).*

Adds additional accountability measure reporting. Requires reduction in nonclassroom expenses by at least same percentage tuition is increased.

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.*

Funding for a new accountability reporting position and revenue loss and expenditure reduction from nonclassroom reductions.

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.*

Reduction in revenues of \$29.5 million, resulting from reduced expenditures, and related revenues, in such areas as auxiliaries (e.g. food service, residence halls) and research grants and contracts. Reduction is based on an assumed 5% per year tuition increase.

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.*

Increased state expenditures of \$110,000 in 07-09 and \$119,000 in 09-11 to provide for a new accountability reporting position. With the current measures, plus (5) contained in SB2398 and (9) in HB1027 there would be a total of 45 measures. There is not adequate staff to absorb the additional reporting requirements. Reduction in expenditures of \$11,000,000 in general fund in 09-11; and reduction of \$29.5 million (and related non-general fund revenue), resulting from reduced revenues and expenditures in such areas as auxiliaries (e.g. food service, residence halls) and research grants and contracts. Reduction is based on an assumed 5% per year tuition increase in 07-09.

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.

Increase in state appropriations of \$110,000 in 07-09 and \$119,000 in 09-11 related to new position and reduction in state general fund appropriations by \$11,000,000 in 09-11 for non-classroom expenses (5% per year), including areas such as utilities, facility upkeep, and student services, if these funds cannot be relocated to the classroom.

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