

FISCAL NOTE
Requested by Legislative Council
01/26/2007

Bill/Resolution No.: SB 2412

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	\$717,250	\$10,316,175	\$0	\$20,015,746
Appropriations	\$0	\$0	\$717,250	\$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	\$229,080	\$0	\$0	\$425,216	\$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).*

This bill would provide for health care insurance for children using forty-five percent of the excess revenue deposited in the general fund derived from taxes imposed on oil and gas which exceeds seventy-one million dollars during the biennium and provide a continuing appropriation.

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.*

The 2000 Census estimates that there are 60,791 children in North Dakota. The current Population Survey Annual Social & Economic Supplement estimates the ND uninsured rate for children at 9.3 percent. Based on this, we are estimating that 5,654 children being covered under this program.

The number of North Dakota resident pregnancies for 2005 was 9,347. Of those, 3,848 were eligible for Medicaid, which leaves 5,499 per year. Based on information from the current population survey, about 12% of individuals (all ages) are uninsured. Therefore, approximately 660 pregnant women per year may qualify for this coverage.

The fiscal impact was calculated based on the program being operational for the last 12 months of the 2007-09 biennium because it would take at least 12 months for planning and to do system changes to the eligibility system.

No federal match is used in the financial projections because the bill does not appear to propose expanding the eligibility limits for Medicaid or Healthy Steps but the program proposed in the bill would be coordinated with these existing programs.

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.*

Based on the November 2006 executive revenue forecast special fund revenue of approximately \$75,166,473 will be transferred from the Permanent Oil Trust Fund to the Children's Health Insurance Trust Fund for the 2007-2009 biennium.

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.*

2007-09 biennium expenditures for the Department include an additional 3 FTEs. Grants expenditures are based on 12 months for the 2007-09 biennium and 24 months for the 2009-11 biennium.

The Department is unable to estimate what the projected increase in caseload may be at the county level and which counties would be impacted. So without knowing the staffing levels and caseload capacities at the counties the Department is estimating that an additional 4 FTEs would be needed at the county level. These FTEs costs were estimated based on 12 months in the 2007-09 biennium and 24 months in the 2009-11 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.*

An appropriation of \$717,250 in general funds would be needed for the 2007-09 biennium to cover up front costs until the special fund revenues are available. The special fund appropriation is provided for with the continuing appropriation language included in the bill.

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