

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2205

2007 SENATE HUMAN SERVICES

SB 2205

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2205

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: January 22, 2007

Recorder Job Number: #1538

Committee Clerk Signature

Mary K Moxson

Minutes:

Senator Judy Lee, Chairperson of the Human Services Committee brought the committee to order.

All members of the committee were present.

Senator Lee opened the hearing on SB 2205 relating to employment of special assistant attorneys general, relating to state administration of the child support enforcement program and relating to administration of child support enforcement activities; to provide for a transfer of employees and equipment; to provide for payment and transfer of unused leave; to provide for a transfer of budgeted funds and unexpected child support incentive funds; to provide an appropriation; and to provide a continuing appropriation.

Senator Tom Fischer of District 46 co-sponsor of SB 2205 introduced the bill stating the bill is a result from last session's SB 2301 that dealt with the same subject and eventually formed the task force for study during the interim. He deferred to those who served on the interim task force and those who serve on the guidelines committee for child support. He further stated there is a fiscal note of 8.4 million attached to the bill.

Senator Lee commented that Senator Fischer has been involved with the child support issue for many years and is an expert on the subject.

Mike Schwindt, Director of the Child Support Enforcement Division of the Department of Human Services, testified in a neutral position explaining SB 2205 (See attachment # 1) He also presented documentation recapping the task force's work which is the basis for the legislation as well as amendments (See attachment #1).

Senator Dick Dever asked if this was set in motion last session, why is not in the Governor's budget.

Mike Schwindt responded that the governor's budget was well under development before the task force reached a conclusion and because this is a recommendation from the task force there is nothing that bids the governor in accepting it.

Senator Dever recalled that last session a considerable amount of discussion was held as to where this service would be housed as in courthouses and how it is addressed in SB 2205.

Mike Schwindt explained that a section of SB 2205 states there has to be an office in each of the eight governors's planning regions.

Discussion was held as to the number of offices, if any changes would be made and that population will help determine this.

Senator Dever asked who covers the cost of providing the facility.

Mike Schwindt answered that this would be part of the department's costs.

Senator John Warner commented about the need for security because this is an agency that attracts a lot of lightening.

Mike Schwindt agreed although it is a very low percentage of people who causes problems.

Senator Lee asked for an explanation of the \$260 million.

Mike Schwindt explained the \$260 million represents the amount of unpaid child support plus interest since the program started in 1975. Most of the amount is assigned to the state and after it is recovered it goes back to the families. The federal and county government each gets

some. 85% of what is collected goes to families and the rest goes to other states or reimburses that state and federal programs.

Senator Warner asked if there is a process of making the \$260 million more accurate or reflective of what is actually out there.

Mike Schwindt appreciated the question and responded they are now in the process of analysis of their receivables. He further stated SB 2129 would give them the authority to take the numbers of what can reasonably be collected out of the books so an accurate number would be available.

Terry Traynor, Assistant Director of the North Dakota Association of Counties testified in support of SB 2205 (See attachment #2).

Senator Lee thanked the task force and the Association of Counties of all their efforts and hard work.

Terry Traynor added that everyone on the committee is concerned that employees take the leave but the issue is what amount of the cost of that leave should be borne by the counties that are giving it up and how much should be borne by the state. It was not an employee issue but to fairly treat each employee equitably as possible.

Larry Bernhardt, President of the ND County Social Services Director's Association testified in support of SB 2205 (See attachment # 3).

Senator Dever asked if all employees affected fall within the state scale range.

Larry Bernhardt stated he was not sure about those under the states attorneys operation but could speak of those in the five units under county social service operations and they are because they are governed by a merit system.

Joe Belford a Ramsey County Commissioner and Chairman of the Ramsey Social Service Board testified in support of SB 2205. He stated he was part of task force that had a lot of good

discussions and debates. He thinks that consolidating this program with the state would make it be operated more efficiently to bring in the money. This will give the state the ability to shift the work load around within the state. He further stated efforts are being made to get the two reservations back into the federal program.

Senator Lee asked for testimony in opposition and in a neutral position and hearing none asked for anyone who could answer Senator Dever's question.

Mike Schwindt answered there are just four employees within the salary scale range whose salaries are frozen until the range catches up.

Ken Purdy, Classification and Compensation Manager with HRS of the State Personnel Division answered that there are three or four over the current range that encompassed in the projected ranges based on the current executive budget. Legislation does provide that they would be entitled to a July increase and the increase scheduled that would provide an exception too if that salary would continue to bump against the maximum. Over the long term there would be some equalization, letting other employees catch up and does not see an immediate impact. He continued that there would be seven that appear to be below the projected ranges of July 1 and that would be a \$1500.00 a month cost to the state division and is sure it is covered in the bill.

John Waller, Administrator of Southwest Regional Child Support Enforcement Unit testified in support of SB 2205.

Senator Lee requested Mr. Waller to submit his comments in writing (See attachment # 4).

Mr. Purdy added that the study had not been completed that they received the material last year. They have prioritized and taken an initial look at all of the positions and the projection of the three positions is based on what the initial findings are regarding those classifications. Again based on their projected classification assignment at this point would effect three

positions immediately in today's ranges but the July ranges would encompass their salaries and the statute would provide that they would be eligible for increases.

Senator Lee closed the hearing on SB 2205.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2205

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: January 22, 2007

Recorder Job Number: # 1540

Committee Clerk Signature

Mary K Monson

Minutes:

Senator Judy Lee, Chairperson of the Human Services Committee opened committee work on SB 2205.

All members of the committee were present.

Senator Lee commented they have amendments submitted to SB 2205 and to those that were new to the committee that the contents of the bill have been a topic that has gone on for some time, taken a lot energy and is pleased to see a bill that might work.

Senator Dick Dever commented that the controversy has gone away.

Senator Lee added she was very happy about that and that part of the controversy was raised by the counties and have come to the conclusion this bill is the answer. Half of what involves child support disbursement has already gone by in the state as a result of federal rule and now we are putting the other half of that project into central offices.

Senator Joan Heckaman commented she had attended a nine county commissioner meeting and that all of the counties recommend the provisions of the bill.

Senator Dever asked for explanation of the fiscal note when the big dollars come in the next biennium but in this biennium there are expenditures of \$797,000.00, revenue at \$384,000.00, so why is the total appropriation \$797,000.00.

Senator John Warner commented that revenue still needs to be appropriated. If revenue comes in, they have to be reappropriated.

Senator Lee said that the \$384 was what was being paid for the one time equalization of benefits.

Senator Heckaman made a motion to adopt the amendments as proposed.

Senator Robert Erberle second the motion.

Roll call vote #1 for adoption of the amendments was taken indicating 6 Yeas, 0 Nays and 0 absent or not voting.

Senator Heckaman made a motion for a Do Pass as Amended and rereferred to Appropriations of SB 2205.

Senator Erberle second the motion.

Roll call vote #2 for a Do Pass as Amended and rereferred to Appropriations of SB 2205 was taken indicating 6 Yeas, 0 nays and 0 absent or not voting.

Senator Heckaman will carry SB 2205

FISCAL NOTE
 Requested by Legislative Council
 03/28/2007

Amendment to: Reengrossed
 SB 2205

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	\$384,998	\$5,615,123	\$0	\$2,739,699
Expenditures	\$0	\$0	\$6,873,169	\$5,615,123	\$10,255,549	\$2,739,699
Appropriations	\$0	\$0	\$0	\$0	\$10,255,549	\$2,739,699

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	(\$5,350,015)	\$0	\$0	(\$9,100,421)	\$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 provides for the transfer of the Regional Child Support Enforcement Units (RCSEUs) from county operations to the Department of Human Services effective July 1, 2007.

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 fiscal impact of this bill is a combination of transferring the costs of operating the RCSEUs from the counties to the Department, the loss of SWAP revenues due to the decreased county expenditures, the transfer of the remaining county budgets to the Department for the operations of the RCSEUs, and a one-time payment by the counties to the state general fund for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

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.*

The general fund revenues for the 2007-09 biennium are a result of the counties making a one-time payment to the state for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

The other funds revenues for both the 2007-09 and 2009-11 biennia are from the additional draw down of federal funds for the increased child support enforcement expenditures offset by the loss of SWAP revenues due to the decreased county expenditures. In 2007-09 only other funds also include the payment by the counties to the state of their remaining 2007 calendar year budgets for the RCSEUs.

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.*

The general fund expenditures for the 2007-09 and 2009-11 biennia are a result of: 1) increases due to the state's share of the operating costs of the RCSEUs, 2) increased general fund needs within the Department to replace the loss of SWAP revenues, offset by 3) a reduction in the amount of general fund moneys needed for Indian county payments. The difference between the two biennia is due to the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The other fund expenditures for the 2007-09 and 2009-11 biennia are a result of increases related to the federal share of the operating costs of the RCSEUs offset by decreased other funds available due to the loss of SWAP revenues. The difference between the two biennia is due to the additional other funds available from the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The transfer would increase the Department's FTE by approximately 122.6 FTE.

- 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.*

This bill contains an appropriation for the expenses to implement the provisions of the bill, and is not included in the Executive Budget.

Name:	Brenda M. Weisz	Agency:	DHS
Phone Number:	328-2397	Date Prepared:	03/28/2007

FISCAL NOTE

Requested by Legislative Council

03/15/2007

Amendment to: Reengrossed
SB 2205

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	\$384,998	\$5,615,123	\$0	\$2,739,699
Expenditures	\$0	\$0	\$6,873,169	\$5,615,123	\$10,255,549	\$2,739,699
Appropriations	\$0	\$0	(\$308,538)		\$10,255,549	\$2,739,699

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	(\$5,350,015)	\$0	\$0	(\$9,100,421)	\$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 provides for the transfer of the Regional Child Support Enforcement Units (RCSEUs) from county operations to the Department of Human Services effective July 1, 2007.

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 fiscal impact of this bill is a combination of transferring the costs of operating the RCSEUs from the counties to the Department, the loss of SWAP revenues due to the decreased county expenditures, the transfer of the remaining county budgets to the Department for the operations of the RCSEUs, and a one-time payment by the counties to the state general fund for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

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.*

The general fund revenues for the 2007-09 biennium are a result of the counties making a one-time payment to the state for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

The other funds revenues for both the 2007-09 and 2009-11 biennia are from the additional draw down of federal funds for the increased child support enforcement expenditures offset by the loss of SWAP revenues due to the decreased county expenditures. In 2007-09 only other funds also include the payment by the counties to the state of their remaining 2007 calendar year budgets for the RCSEUs.

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.*

The general fund expenditures for the 2007-09 and 2009-11 biennia are a result of: 1) increases due to the state's share of the operating costs of the RCSEUs, 2) increased general fund needs within the Department to replace the loss of SWAP revenues, offset by 3) a reduction in the amount of general fund moneys needed for Indian county payments. The difference between the two biennia is due to the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The other fund expenditures for the 2007-09 and 2009-11 biennia are a result of increases related to the federal share of the operating costs of the RCSEUs offset by decreased other funds available due to the loss of SWAP revenues. The difference between the two biennia is due to the additional other funds available from the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The transfer would increase the Department's FTE by approximately 122.6 FTE.

- 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.*

This bill contains an appropriation for the expenses to implement the provisions of the bill, and is not included in the Executive Budget.

Name:	Brenda M. Weisz	Agency:	DHS
Phone Number:	328-2397	Date Prepared:	03/15/2007

FISCAL NOTE
 Requested by Legislative Council
 03/07/2007

REVISION

Amendment to: Engrossed
 SB 2205

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	\$384,998	\$5,615,123	\$0	\$2,739,699
Expenditures	\$0	\$0	\$0	\$12,488,292	\$10,255,549	\$2,739,699
Appropriations	\$0	\$0	\$0	(\$308,538)	\$10,255,549	\$2,739,699

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	(\$5,350,015)	\$0	\$0	(\$9,100,421)	\$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 provides for the transfer of the Regional Child Support Enforcement Units (RCSEUs) from county operations to the Department of Human Services effective July 1, 2007.

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 fiscal impact of this bill is a combination of transferring the costs of operating the RCSEUs from the counties to the Department, the loss of SWAP revenues due to the decreased county expenditures, the transfer of the remaining county budgets to the Department for the operations of the RCSEUs, and a one-time payment by the counties to the state general fund for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

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.*

The general fund revenues for the 2007-09 biennium are a result of the counties making a one-time payment to the state for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

The other funds revenues for both the 2007-09 and 2009-11 biennia are from the additional draw down of federal funds for the increased child support enforcement expenditures offset by the loss of SWAP revenues due to the decreased county expenditures. In 2007-09 only other funds also include the payment by the counties to the state of their remaining 2007 calendar year budgets for the RCSEUs.

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.*

The general fund expenditures for the 2007-09 and 2009-11 biennia are a result of: 1) increases due to the state's share of the operating costs of the RCSEUs, 2) increased general fund needs within the Department to replace the loss of SWAP revenues, offset by 3) a reduction in the amount of general fund moneys needed for Indian county payments. The difference between the two biennia is due to the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The other fund expenditures for the 2007-09 and 2009-11 biennia are a result of increases related to the federal share of the operating costs of the RCSEUs offset by decreased other funds available due to the loss of SWAP revenues. The difference between the two biennia is due to the additional other funds available from the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The transfer would increase the Department's FTE by approximately 122.6 FTE.

The general fund requirement for this bill for the 2007-09 biennium, will be funded through the Permanent Oil Tax Trust Fund. The fiscal note was not changed for the 2009-11 biennium as future legislation will have to determine the funding of these expenditures.

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.*

This bill contains an appropriation for the expenses to implement the provisions of the bill, and is not included in the Executive Budget.

Name:	Brenda M. Weisz	Agency:	DHS
Phone Number:	328-2397	Date Prepared:	03/08/2007

FISCAL NOTE
Requested by Legislative Council
02/14/2007

Amendment to: Engrossed
 SB 2205

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	\$384,998	\$5,615,123	\$0	\$2,739,699
Expenditures	\$0	\$0	\$0	\$12,796,830	\$10,579,514	\$2,739,699
Appropriations	\$0	\$0	\$0	\$0	\$10,579,514	\$2,739,699

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	(\$5,658,553)	\$0	\$0	(\$9,424,386)	\$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 provides for the transfer of the Regional Child Support Enforcement Units (RCSEUs) from county operations to the Department of Human Services effective July 1, 2007.

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 fiscal impact of this bill is a combination of transferring the costs of operating the RCSEUs from the counties to the Department, the loss of SWAP revenues due to the decreased county expenditures, the transfer of the remaining county budgets to the Department for the operations of the RCSEUs, and a one-time payment by the counties to the state general fund for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

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.*

The general fund revenues for the 2007-09 biennium are a result of the counties making a one-time payment to the state for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

The other funds revenues for both the 2007-09 and 2009-11 biennia are from the additional draw down of federal funds for the increased child support enforcement expenditures offset by the loss of SWAP revenues due to the decreased county expenditures. In 2007-09 only other funds also include the payment by the counties to the state of their remaining 2007 calendar year budgets for the RCSEUs.

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.*

The general fund expenditures for the 2007-09 and 2009-11 biennia are a result of: 1) increases due to the state's share of the operating costs of the RCSEUs, 2) increased general fund needs within the Department to replace the loss of SWAP revenues, offset by 3) a reduction in the amount of general fund moneys needed for Indian county payments. The difference between the two biennia is due to the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The other fund expenditures for the 2007-09 and 2009-11 biennia are a result of increases related to the federal share of the operating costs of the RCSEUs offset by decreased other funds available due to the loss of SWAP revenues. The difference between the two biennia is due to the additional other funds available from the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The transfer would increase the Department's FTE by approximately 122.6 FTE.

The general fund requirement for this bill for the 2007-09 biennium, will be funded through the Permanent Oil Tax Trust Fund. The fiscal note was not changed for the 2009-11 biennium as future legislation will have to determine the funding of these expenditures.

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.*

This bill contains an appropriation for the expenses to implement the provisions of the bill, and is not included in the Executive Budget.

Name:	Brenda M. Weisz	Agency:	DHS
Phone Number:	328-2397	Date Prepared:	02/14/2007

FISCAL NOTE
Requested by Legislative Council
01/24/2007

Amendment to: SB 2205

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	\$384,998	\$5,850,608	\$0	\$2,739,699
Expenditures	\$0	\$0	\$6,946,222	\$5,850,608	\$10,579,514	\$2,739,699
Appropriations	\$0	\$0	\$6,946,222	\$5,850,608	\$10,579,514	\$2,739,699

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	(\$5,423,068)	\$0	\$0	(\$9,424,386)	\$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 provides for the transfer of the Regional Child Support Enforcement Units (RCSEUs) from county operations to the Department of Human Services effective July 1, 2007.

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 fiscal impact of this bill is a combination of transferring the costs of operating the RCSEUs from the counties to the Department, the loss of SWAP revenues due to the decreased county expenditures, the transfer of the remaining county budgets to the Department for the operations of the RCSEUs, and a one-time payment by the counties to the state general fund for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

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.*

The general fund revenues for the 2007-09 biennium are a result of the counties making a one-time payment to the state for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

The other funds revenues for both the 2007-09 and 2009-11 biennia are from the additional draw down of federal funds for the increased child support enforcement expenditures offset by the loss of SWAP revenues due to the decreased county expenditures. In 2007-09 only other funds also include the payment by the counties to the state of their remaining 2007 calendar year budgets for the RCSEUs.

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.*

The general fund expenditures for the 2007-09 and 2009-11 biennia are a result of: 1) increases due to the state's share of the operating costs of the RCSEUs, 2) increased general fund needs within the Department to replace the loss of SWAP revenues, offset by 3) a reduction in the amount of general fund moneys needed for Indian county payments. The difference between the two biennia is due to the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The other fund expenditures for the 2007-09 and 2009-11 biennia are a result of increases related to the federal share

of the operating costs of the RCSEUs offset by decreased other funds available due to the loss of SWAP revenues. The difference between the two biennia is due to the additional other funds available from the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The transfer would increase the Department's FTE by approximately 122.6 FTE.

- 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 general fund appropriation for the 2007-09 biennium would need to be increased by a net amount of \$6,946,222 as a result of: 1) the increase needed for the state's share of the operating costs of the RCSEUs, 2) the increase needed within the Department to replace the loss of SWAP revenues, offset by 3) the decrease in the amount of general fund moneys needed for Indian county payments.

The other funds appropriation for the 2007-09 biennium would need to be increased by a net amount of \$5,850,608 as a result of the increase in federal funds related to the federal share of the operating costs of the RCSEUs, the one time remaining calendar year budgets offset by the decrease in other funds available due to the loss of SWAP revenues.

Name:	Brenda M. Weisz	Agency:	DHS
Phone Number:	328-2397	Date Prepared:	01/24/2007

FISCAL NOTE

Requested by Legislative Council

01/23/2007

REVISION

Bill/Resolution No.: SB 2205

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	\$384,998	\$5,850,608	\$0	\$2,739,699
Expenditures	\$0	\$0	\$6,946,222	\$5,850,608	\$10,579,514	\$2,739,699
Appropriations	\$0	\$0	\$6,946,222	\$5,850,608	\$10,579,514	\$2,739,699

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	(\$5,423,068)	\$0	\$0	(\$9,424,386)	\$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 provides for the transfer of the Regional Child Support Enforcement Units (RCSEUs) from county operations to the Department of Human Services effective July 1, 2007.

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 fiscal impact of this bill is a combination of transferring the costs of operating the RCSEUs from the counties to the Department, the loss of SWAP revenues due to the decreased county expenditures, the transfer of the remaining county budgets to the Department for the operations of the RCSEUs, and a one-time payment by the counties to the state general fund for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

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.*

The general fund revenues for the 2007-09 biennium are a result of the counties making a one-time payment to the state for the value of the transferred annual and sick leave of the county employees being transferred to the Department.

The other funds revenues for both the 2007-09 and 2009-11 biennia are from the additional draw down of federal funds for the increased child support enforcement expenditures offset by the loss of SWAP revenues due to the decreased county expenditures. In 2007-09 only other funds also include the payment by the counties to the state of their remaining 2007 calendar year budgets for the RCSEUs.

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.*

The general fund expenditures for the 2007-09 and 2009-11 biennia are a result of: 1) increases due to the state's share of the operating costs of the RCSEUs, 2) increased general fund needs within the Department to replace the loss of SWAP revenues, offset by 3) a reduction in the amount of general fund moneys needed for Indian county payments. The difference between the two biennia is due to the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The other fund expenditures for the 2007-09 and 2009-11 biennia are a result of increases related to the federal share of the operating costs of the RCSEUs offset by decreased other funds available due to the loss of SWAP revenues. The difference between the two biennia is due to the additional other funds available from the one-time payment from the counties to the Department of their remaining 2007 calendar year budgets for the RCSEUs.

The transfer would increase the Department's FTE by approximately 122.6 FTE.

- 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 general fund appropriation for the 2007-09 biennium would need to be increased by a net amount of \$6,946,222 as a result of: 1) the increase needed for the state's share of the operating costs of the RCSEUs, 2) the increase needed within the Department to replace the loss of SWAP revenues, offset by 3) the decrease in the amount of general fund moneys needed for Indian county payments.

The other funds appropriation for the 2007-09 biennium would need to be increased by a net amount of \$5,850,608 as a result of the increase in federal funds related to the federal share of the operating costs of the RCSEUs, the one time remaining calendar year budgets offset by the decrease in other funds available due to the loss of SWAP revenues.

Name:	Brenda M. Weisz	Agency:	DHS
Phone Number:	328-2397	Date Prepared:	01/23/2007

