

# FISCAL NOTE

Requested by Legislative Council  
02/06/2001

**REVISION**

Bill/Resolution No.: SB 2241

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 |
| <b>Revenues</b>       |                    |             |                    | \$0         |                    | \$0         |
| <b>Expenditures</b>   |                    |             |                    | \$57,625    |                    |             |
| <b>Appropriations</b> |                    |             |                    | \$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 |
|                    |        |                  |                    |        |                  |                    |        |                  |

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

The proposed definitions for LPN and RN would increase the state's administrative costs for higher education associated with creating new educational programs, transitioning the present two levels of entry to the proposed levels in this bill, recruiting faculty, seeking appropriate accreditation and the costs of having lower enrollment until the programs are accredited.

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.*

None

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.*

For the Board of Nursing, this bill would require a total reconstruction of administrative rules for educational programs, a committee to develop the rules, and a .5 FTE staff position to

visit the revised programs. Meeting expenses for board and committee members approximate \$14,265.00. Cost of rule promulgation - \$3500.00. Cost of Masters prepared staff position - \$20,000.00, Cost of Site visits for program approval (\$1500.00 per program) - \$19,500.00.

A major fiscal impact of this bill would be to the University System for restructure or closure of the current nursing programs.

The University System has submitted the following statement: "SB2241 may negatively impact enrollment in the baccalaureate nursing programs at UND, DSU, and NDSU. The extent of this impact on the enrollment is difficult to predict, but if substantial, it could jeopardize the enrollments to the extent that the programs are not longer viable."

*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.*

The board of nursing does not receive state funding. Revenues are obtained from licensure fees.

|                      |                      |                  |                     |
|----------------------|----------------------|------------------|---------------------|
| <b>Name:</b>         | Constance B. Kalanek | <b>Agency:</b>   | ND Board of Nursing |
| <b>Phone Number:</b> | (701)328-9777        | <b>Date</b>      | 02/02/2001          |
|                      |                      | <b>Prepared:</b> |                     |