

FISCAL NOTE
Requested by Legislative Council
01/21/2021

Bill/Resolution No.: HB 1202

- 1 A. **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.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

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

HB1202 would move investment responsibility for Land Board investments to the State Investment Board. The fiscal impact of this move would be related to the management of those assets (i.e. staffing and associated operating costs).

- 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 overall net impact to the state if this bill passes should be close to zero. However, that is assuming that the current two investment staff FTEs assigned to the Land Department would be transferred to the Retirement and Investment Office (RIO), as well as any furniture or IT equipment associated with those positions. RIO estimates that due to the size of the Land Board's assets, the agency would need those two additional FTEs in order to adequately manage the assets within the SIB program. Depending upon the Land Board's expectation of services from the SIB/RIO, it is possible that a third FTE would be needed at RIO in the fiscal division in order to properly allocate and account for the multiple funds within the Land Board's portfolio. That is unknown at this time.

If the FTEs are not transferred, RIO would request 2-3 additional FTEs (costs to be determined) plus related operating expenses of approximately \$15,000 per FTE.

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.*

Not quantifiable at this time.

- 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.*

Assuming transfer of investment staff between agencies, there should be little to no fiscal impact to the state.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Assuming transfer of investment staff between agencies, there should be little to no fiscal impact to the state.

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