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Fiscal Note

2023-2024 Legislative Session

SF4364 - 0 - TikTok on State Devices Prohibited

Chief Author: **Bruce Anderson**
 Committee: **State And Local Government And Veterans**
 Date Completed: **3/12/2024 9:55:46 AM**
 Agency: **Minnesota IT Services**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	37	39	41	
Total	-	-	37	39	41	
Biennial Total			37		80	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Susan Nelson **Date:** 3/12/2024 9:55:46 AM
Phone: 651-296-6054 **Email:** susan.nelson@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	37	39	41	41
Total		-	-	37	39	41
Biennial Total				37		80
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	37	39	41	41
Total		-	-	37	39	41
Biennial Total				37		80
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

This bill aims to prohibit the download of the TikTok application or use the TikTok website on state telecommunications devices accessible by or issued to a state employe or contractor for official business.

Assumptions

1. The cost estimate pertains to devices under the management of MNIT, primarily for use by state employees or contractors of consolidated agencies within the executive branch.
2. Devices owned by agencies but not managed by MNIT, as well as personal devices of employees or contractors, fall outside the purview of this solution and are not included in MNIT’s implementation of this bill.
3. The term “devices” encompasses laptops, desktops, and mobile devices, which include smartphones and tablets.
4. The cost estimate factors in a 5% inflationary increase for fiscal years 2026 and 2027.
5. Effective date is assumed to be July 1, 2024.
6. New funding will be appropriated for the implementation of this bill since existing funding is not available.

Expenditure and/or Revenue Formula

MNIT’s enforcement capacity is limited to state devices under its management, which comprise laptops, desktops, and mobile devices such as smartphones and tablets. Devices that are owned by agencies but not managed by MNIT, as well as personal devices of employees, are not included in this solution and fall outside the scope of MNIT’s implementation of this statute.

At present, MNIT has the technology to prevent the installation of the TikTok application on state-managed mobile devices and to block access to the TikTok website from state laptops/desktops. However, additional software will need to be procured to restrict web access to TikTok from mobile devices. The cost associated with implementing this capability is detailed below.

	FY2024	FY2025	FY2026	FY2027
Expenditures	0	\$37,000	\$38,850	\$40,800

Long-Term Fiscal Considerations

MNIT will explore ways to enforce policies on devices that are not under MNIT's management.

Local Fiscal Impact

References/Sources

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