

FISCAL NOTE

Requested by Legislative Council
01/23/2001

Bill/Resolution No.: HB 1445

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	
Revenues		\$0	\$0	\$0	\$76,000,000	\$0	\$76,000,000
Expenditures		\$0	\$0	\$0	\$76,000,000	\$0	\$76,000,000
Appropriations		\$0	\$0	\$0	\$76,000,000	\$0	\$76,000,000

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
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

This bill increases pesticide registration fees for the same or substantially similar products to an amount determined by the price difference between what the product is sold for in Canada and what the product is sold for in North Dakota times the number of units marketed in North Dakota. The registration fee would be at least \$300 for any product. This bill also provides for rebates of these fees collected to the consumers of the products.

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 price difference for sixteen major agricultural pesticides was determined by using a 1999 Minnesota Wheat Growers study. This difference was multiplied by the number of acres on which each pesticide was used in North Dakota, based on a recent North Dakota Ag Statistics survey. The total cost to ND producers was calculated to be \$42,271,474 per year. From this total, we assumed a ten percent mark-up for retailers and subtracted this from the total to obtain revenues based upon wholesale prices of approximately \$38,000,000 per year or \$76,000,000 per 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.*

We estimated that it would require two additional FTE's and \$176,000 to administer the responsibilities of this bill.

The remaining \$75,824,000 would be used to provide rebates to consumers.

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.*

None of the revenues, expenditures, or appropriations are included in the Commissioner of Agriculture appropriation bill, HB 1009.

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Agency: ND Dept. of Ag
Date 02/05/2001
Prepared: