

FISCAL NOTE

Requested by Legislative Council

01/18/2005

Bill/Resolution No.: HB 1424

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$96,000			
Appropriations						

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 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.*

HB 1424 provides for the collection, review, and distribution of information on economic development incentives granted by the state and its political subdivisions. The bill sets job quality and accountability standards, and has provisions for the recapture of the value of incentives if the standards are not met.

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.*

It is unknown if the recapture provisions of HB 1424 will result in additional revenues to the state during the 2005-07 biennium. Many of the provisions for recapture will first occur beyond the 2005-07 biennium, and therefore, may impact revenues in subsequent biennia.

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 gathering, analyzing, and distribution of economic development incentive data required in HB 1424 would result in the need for one FTE in the tax department, estimated to cost \$96,000 for the 2005-07 biennium.

Additionally, Department of Commerce and political subdivisions will incur costs associated with the provisions of the bill.

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.*

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