

FISCAL NOTE

Requested by Legislative Council
01/31/2005

REVISION

Bill/Resolution No.: SB 2270

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				\$1,800,000		\$1,800,000
Appropriations				\$3,280,000		\$3,280,000

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.*

Section 1: Would provide up to \$1,800,000 to the two current ethanol facilities operating in the state.

Section 2: of this bill (which wasn't included in State fiscal effect table; 1A) is an unknown as far as the fiscal effect. This section clarifies existing state law, thus, if the two current facilities were to expand and met the qualifications they would be eligible to collect a maximum incentive of 10 cents/gallon up to \$3.2Million

Note:

1.) Money in this fund was appropriated as a production incentive for new ethanol production within the state. Section 1 of this bill would take over 50% of the appropriated dollars for existing facilities.

2.) Funds are currently transferred into the ethanol production incentive fund "annually" (the end of the fiscal year) which may not match requests, thus, the fund may be depleted making it impossible to "forward the production incentives to the plant upon receipt of an affidavit ..." as instructed on page 1, line 20-22

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.*

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.*

Expenditures would be to the two qualifying facilities in the state. One facility would qualify for \$1.2 million and one would qualify for \$600,000

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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