

FISCAL NOTE

Requested by Legislative Council
02/07/2005

Amendment to: SB 2276

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			\$50,000		\$50,000
Expenditures					
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.*

The fiscal impact caused by Senate Bill 2276 is the result of the issuance fee (.5% of the dollar amount of the issue) that the Bond Bank charges for these types of transactions. This fee is charged to each issuer and is capped at \$7,000 per issuer per transaction. The issuers of these types of bonds are qualifying organizations other than political subdivisions, so this bill will have no fiscal impact on counties, cities, or school districts.

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.*

For the next two bienniums, we project that the Bond Bank will receive additional revenues of \$50,000 per biennium, which would be the result of .5% on \$10,000,000 of issuance.

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 costs of issuance for these transactions would be paid by the borrower, which are qualifying organizations other than political subdivisions. Generally, these costs of issuance are included in the amount of the bond issue.

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.*

No change to current or future appropriation levels anticipated.

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Agency: ND Municipal Bond Bank
Date Prepared: 02/08/2005