

FISCAL NOTE

Requested by Legislative Council
02/02/2007

Amendment to: SB 2347

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations			\$25,000,000			\$40,000,000

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Provides prorata tuition reduction to students who attended K-12 in North Dakota and attend a ND campus beginning in Fall 2012. Qualifying students must have a 23 composite or mathematics ACT score and completed four years of math and science.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Cost of providing from a 65% to 100% tuition reduction to qualifying students after all gift aid is first taken into account.

The January 29, 2007 amendments to this bill do not change the fiscal impact as originally identified.

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 do not begin until 2012 (2011-13 biennium), since the college freshmen class of 2012 is the first eligible class. Costs are as follows: \$5.3 million in 2011-13, \$27 million in 2013-15; \$51 million in 2015-17; \$66 million in 2017-19; \$78 million in 2019-21; \$85 million in 2021-23; \$93 million in 2023-25; \$87 million in 2025-27; and \$40 million in 2027-29, as the program expires in 2028.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

\$15,000,000 from the state general fund and \$10,000,000 from the fire and tornado fund in 2007-09 and \$40 million each biennium thereafter from BND profits (\$15 million), oil extraction trust fund (\$10 million) and balance from

student loan trust fund and lottery, along with interest earnings needed to fund the program.

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