

FISCAL NOTE

Requested by Legislative Council
04/10/2007

REVISION

Amendment to: Reengrossed
HB 1487

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		(\$7,500)		(\$900,000)		(\$2,700,000)
Expenditures			\$3,000,000		\$4,000,000	
Appropriations			\$3,000,000		\$4,000,000	

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).*

Sec. 1 provides for emergency measure for loans w/o fed. co-ins. to bear fixed or variable interest rates. Sec. 2 creates a new grant program for students attending public two-year campuses. Sec.3 provides a \$3.0 million state general fund appropriation for new grant program.

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.*

NO CHANGES TO FISCAL NOTE - ORIGINAL SUBMITTED MARCH 13, 2007.

Section 1 has a reduction in income to the Bank of North Dakota estimated at \$7,500 for the 2005-07 biennium, \$900,000 for 2007-09 biennium, and \$2,700,000 for the 2009-11 biennium utilizing today's interest rate environment. Section 2 creates a new student grant program and related administrative costs. Section 3 provides \$3.0 million from the state general fund.

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.*

Section 1 has a reduction in income to the Bank of North Dakota estimated at \$7,500 for the 2005-07 biennium, \$900,000 for 2007-09 biennium, and \$2,700,000 for the 2009-11 biennium utilizing today's interest rate environment.

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.*

During 07-09 about 1,600 new and continuing students would be assisted per year at a grant of \$600 each or about 1,300 students per year at a grant of \$750 each. Up to 5% or \$150,000 per biennium from the \$3.0 million general fund appropriation would be used to assist with administering this new program including programming costs, student correspondence and staffing costs.

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.

State general fund appropriation of \$3.0 million in 07-09 and \$4.0 million in 09-11 are required to fund new and continuing students and from within those appropriated amounts provide funding to cover program administrative costs.

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