

FISCAL NOTE
Requested by Legislative Council
02/14/2013

Amendment to: HB 1198

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			\$341,790,000	\$(341,790,000)		
Expenditures			\$384,300,000			
Appropriations			\$775,200,000			

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

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

Engrossed HB 1198 creates state-paid property tax relief credits, and makes some modifications to the mill levy reduction 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.*

Section 1 of engrossed HB 1198 provides for state-paid property tax relief credits equal to 17% of property taxes. Section 5 enables all school districts to receive the full 75-mill levy reduction grant amount.

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 9 of engrossed HB 1198 authorizes a transfer of \$341,790,000 from the property tax relief sustainability fund to the general fund.

- 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 provisions of Section 1 of engrossed HB 1198 are expected to require a total expenditure of \$339.3 million for state-paid property tax credits in the 2013-15 biennium. Section 5 of engrossed HB 1198 will increase expenditures for the existing mill levy reduction grant program by \$45 million, from \$403 million to \$448 million for the 2013-15 biennium.

- 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.*

Section 7 of engrossed HB 1198 contains an appropriation of \$448 million from the state general fund to the superintendent of public instruction for the current and expanded mill levy reduction grant program. Section 8 contains an appropriation of \$327,200,000 from the state general fund to the state treasurer for the purpose of state-paid property tax relief credits.

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