

FISCAL NOTE
Requested by Legislative Council
03/01/2017

Bill/Resolution No.: HCR 3033

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				\$579,000		\$1,107,000
Appropriations				\$579,000		\$1,107,000

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 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).*

The resolution provides for up to 6 state-owned casinos on state land to be established assuming the 2018 primary election results are positive.

- 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 2 of the resolution provides for up to 6 casinos to be established on state-owned land. Any such casinos cannot be located within 5 miles of any city exceeding 5,000 in population, or less than 20 miles away from reservation boundaries.

The state may issue revenue bonds or other financing. The legislature may provide by law for transfer of net profits from casino operations to the general fund. The amount of capital needed for 6 casinos is unknown at this time.

The State Auditor's office shall audit or contract for an audit, of the state-owned casinos.

Fingerprint-based criminal history record checks are required for each employee of the casinos. Each record check costs \$40 and this revenue would be deposited in the 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.*

There will be revenues both from the casinos and for criminal history record checks. The amounts of these revenues are unknown at this time.

- 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 Office of Attorney General estimates 6 auditors will be needed for the new casinos. For fiscal year 2019, the estimated cost for salaries and operating costs is \$579,000. The estimated cost for the 2019-21 biennium is \$1,107,000.

The Auditor's Office will either audit or contract for audits for the casinos. No estimate is available for the cost of the audits.

There will be meeting and travel reimbursements for the casino gaming commission. The estimated cost for these meetings is unknown at this point.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Executive Recommendation did not anticipate this resolution and its costs. The Office of Attorney General will need an appropriation for \$579,000 for fiscal year 2019 if this resolution is approved at the primary election and \$1,107,000 will be needed for the 2019-21 biennium.

The Auditor's office will also need an appropriation for casino audits. The amount is unknown at this time.

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