

FISCAL NOTE
Requested by Legislative Council
01/24/2019

Amendment to: SB 2065

- 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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		\$80,000		\$80,000		\$80,000
Expenditures		\$0		\$0		\$0
Appropriations		\$0		\$0		\$0

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 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).*

Amend Section 4.1-21-04 of the North Dakota Century Code to increase the maximum fund balance limit in the State Forester Reserve Account from \$1 million to \$1.5 million. The new maximum would ensure adequate funds are available for emergencies at the state nursery including seedling crop losses.

- 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.*

Engrossed SB 2065 would amend Section 4.1-21-04 of the North Dakota Century Code to increase the maximum fund balance limit in the State Forester Reserve Account from \$1 million to \$1.5 million. In addition, the minimum fund balance limit would be raised from \$700,000 to \$1.2 million to more realistically reflect the current cost of tree production at Towner State Nursery. The new maximum would ensure adequate funds are available for emergencies at the state nursery including seedling crop losses. Revenues for the reserve fund are derived from the sale of seedlings. The State Forester has authority to change 110% the cost of production and extra revenues that exceed the cost of production must be deposited into the reserve account. No fiscal impacts are anticipated as revenues for the reserve fund are derived from the sale of nursery stock.

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.*

Revenues for the reserve fund are derived from the sale of nursery stock. The agency anticipates approximately \$80,000 in revenue generated in excess of the cost of production that will be required to be deposited into the reserve fund for each of the next 3 biennia.

- 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 agency does not anticipate any expenditures from the reserve fund unless there is an emergency resulting in seedling crop losses.

- 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 proposed legislation does not require any additional appropriations as revenues for the reserve fund are derived from the sale of nursery stock.

Name: Tom Claeys

Agency: North Dakota Forest Service

Telephone: 701-328-9945

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