

FISCAL NOTE
Requested by Legislative Council
01/07/2019

Bill/Resolution No.: SB 2165

- 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						
Expenditures				\$65,000		
Appropriations				\$65,000		

- 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).*

SB 2165 relates to watercraft total loss statements and certificates of number. Additionally the bill provides a sales tax exemption for certain replacement watercraft.

- 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.*

Sections 1 and 2 of SB 2165 would require the North Dakota Game and Fish Department to administer a system to track watercraft loss and issue salvage certificates of number. Section 2 contains provisions for the collection of a \$5 fee from certain applicants.

Section 3 creates a sales tax exemption for the purchase of a qualified replacement watercraft up to an amount equal to the insurance payment issued for a totally destroyed or stolen watercraft.

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.*

The Game and Fish Department reports it is unknown how many applicants may be subjected to the \$5 fee provided in section 2 of SB 2165.

Neither the Game and Fish nor the Tax Department have information upon which to estimate the fiscal impact of the sales tax exemption contained in Section 3 of SB 2165. The fiscal impact of the bill cannot be determined.

- 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.*

North Dakota Game and Fish Department estimates IT programming costs of \$50,000. They have identified the need to add a new certificate system to track salvaged watercraft, including programming for fee structure and reporting. They would need additional staff during peak seasons to administer the provisions of the bill.

- 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.*

North Dakota Game and Fish Department report an increase in operating expenditures of \$65,000 (\$50,000 IT and \$15,000 for temporary staffing.)

Name: Kathryn Strombeck

Agency: Office of Tax Commissioner

Telephone: 701.328.3402

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