

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: SB 2071 Amendment to: _____

Requested by: Legislative Council Date of Receipt: _____

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

The fiscal effect in dollars is difficult to estimate because total soybean checkoff collections and consequently, any reserve levels held depend on the number of bushels of soybeans produced each year.

Our reserves ending June 30, 1988 were about \$65,000 and it is estimated that year-end reserves on June 30, 1989 could be depleted completely. The Soybean Council has set a goal to build a reserve of about 50 to 75 percent of one year's budget. The Council's budget has averaged between \$200,000 and \$300,000 depending on annual crop production. However, this year, the budget will drop to less than \$150,000 due to the drought.

It will take another 3-4 years to build up a desired reserve level of \$100,000 to \$150,000. If we assume an average reserve of \$25,000 to \$50,000 the next two years and a 10 percent interest rate, then the total impact to the State General Fund would be \$2,000 to \$4,000 annually (80% of 10% of \$25-50,000).

State Fiscal Effect:

<u>1989-90</u>		<u>1990-91</u>		<u>Biennium Total</u>	
<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>
-0-	\$2000 - \$4000	-0-	\$2000 - \$4000	-0-	\$4000 - \$8000

County and City Fiscal Effect:

<u>1989-90</u>		<u>1990-91</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
-0-	-0-	-0-	-0-	-0-	-0-

If additional space is needed, attach a supplemental sheet.

Signed *Mark F. Weber*

Typed Name Mark F. Weber

Date Prepared: 1-3-89

Department Soybean Council