

FISCAL NOTE

JAN 13 1997

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Bill/Resolution No.: HB 1115 Amendment to: \_\_\_\_\_

Requested by Legislative Council Date of Request: 12-31-96

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

Passage would increase the check-off paid by North Dakota wheat producers on each bushel of wheat sold in the state from 5 mils to 8 mils (a 3/10 of a cent increase).

(Please refer to supplemental sheet for additional narrative.)

2. State fiscal effect in dollar amounts:

	1995-97 <u>Biennium</u>		1997-99 <u>Biennium</u>		1999-2001 <u>Biennium</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>
Revenues:	--	\$5,168,000	--	\$5,168,000	--	\$5,168,000
Expenditures:	--	4,098,487	--	4,776,047	--	5,136,442

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1995-97 biennium: The North Dakota Wheat Commission
- b. For the 1997-99 biennium: has continuing appropriation.
- c. For the 1999-2001 biennium: \_\_\_\_\_

4. County, City, and School District fiscal effect in dollar amounts:

1995-97 <u>Biennium</u>			1997-99 <u>Biennium</u>			1999-2001 <u>Biennium</u>		
<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>

If additional space is needed, attach a supplemental sheet.

Date Prepared: January 10, 1997

Signed Melvin G. Maier  
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1. Narrative (continued):

Estimated annual revenue is determined by taking 10 years of total annual production, dropping the high and low years, and dividing by 8. The resulting 323 million bushel average was then used to calculate the level of income and cash flow over the next two years at the present 5 mils and the proposed 8 mils check-off level. The difference after two years is estimated to be a \$776,529 deficit at 5 mils or a \$1,141,091 carry-over at 8 mils. Building a reserve fund is necessary due to the uncertainty of production in a given year.

NORTH DAKOTA WHEAT COMMISSION  
Bismarck, ND

STATEMENT OF PROJECTED REVENUE AND EXPENDITURES  
For the Bienniums Ended June 30

	1995-1997 Biennium	1997-1999 Biennium (5 mill checkoff)	1997-1999 Biennium (8 mill checkoff)
Beginning Balance	\$ 1,209,596	\$ 788,818	\$ 788,818
<b>REVENUES:</b>			
Assessment Revenues Collected from 1st Purchasers	\$ 3,678,761	\$ 3,230,000	\$ 5,168,000
Less:			
Refunds Paid to Producers	\$ 124,478	\$ 129,200	\$ 206,720
Net Assessment Revenue	\$ 3,554,283	\$ 3,100,800	\$ 4,961,280
Interest Income	\$ 119,326	\$ 96,900	\$ 155,040
Promotional sales/misc.	\$ 4,100	\$ 3,000	\$ 3,000
Total Revenues	\$ 3,677,709	\$ 3,200,700	\$ 5,119,320
<b>EXPENDITURES:</b>			
Program Expenditures:			
Administration	\$ 368,872	\$ 395,804	\$ 395,804
Domestic Promotion	\$ 530,110	\$ 563,990	\$ 563,990
Export Marketing	\$ 1,679,781	\$ 2,165,820	\$ 2,165,820
Trade Policy & Issues	\$ 368,419	\$ 385,233	\$ 385,233
Research/Customer Service	\$ 796,253	\$ 816,389	\$ 816,389
Public Information	\$ 401,135	\$ 438,811	\$ 438,811
Less Accruals to 1993-95 Biennium	\$ (46,083)		
Total Expenditures	\$ 4,098,487	\$ 4,766,047	\$ 4,766,047
Revenues Over (Under) Expenditures	\$ (420,778)	\$ (1,565,347)	\$ 353,273
Ending Balance	\$ 788,818	\$ (776,529)	\$ 1,142,091