

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1147 Amendment to: _____

Requested by Legislative Council _____ Date of Request: 1-4-99

- 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: The elimination of the Milk Marketing Board would result in an immediate loss of \$2,406,149 in gross annual premium payments to this state's Grade A Dairy Farmers. This lost income would have a devastating impact on the state and the dairy industry. Using the standard multiplier affect it would have a statewide impact of 7 X \$2.4 million which equals \$16.8 million dollars lost to the North Dakota economy. The loss of dairy product sales to out-of-state creameries would result in a number of closings in the state's six

- 2. State fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	-0-	-0-	-0-	(\$515,462)	-0-	(\$525,771)
Expenditures:	-0-	-0-	-0-	(\$442,496)	-0-	(\$449,133)

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

- a. For rest of 1997-99 biennium: None
- b. For the 1999-2001 biennium: Eliminate continuing checkoff income/appropriation
- c. For the 2001-03 biennium: Eliminate continuing checkoff income/appropriation

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

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
UNDETERMINED			UNDETERMINED			UNDETERMINED		

If additional space is needed, attach a supplemental sheet.

Date Prepared: 1-6-99

Signed John E. Weisgerber

Typed Name JOHN E. WEISGERBER

Department MILK MARKETING BOARD

Phone Number 328-9588

SUPPLEMENTAL SHEET - FISCAL NOTE - MILK MARKETING BOARD

BILL/RESOLUTION NO.: HB 1147

NARRATIVE CONTINUED -

dairy manufacturing plants and 57 dairy product distributors. The dairy industry is the third largest segment of North Dakota agriculture. It has been estimated that the dairy industry has at least 5,000 direct jobs on an off the farm. In addition to a loss of a portion of direct jobs, grain elevators, feed suppliers, machinery dealers, farm supply stores and vets would suffer losses. With a loss of some of the dairy product distributors in our small communities, rural areas would face severely reduced milk product distribution or elimination altogether. The lost income from dairy farmers, lost creameries, distributors, jobs and associated businesses would result in less tax revenue available for the counties and the state.