

**FISCAL NOTE**  
**Requested by Legislative Council**  
**01/10/2017**

Amendment to: HB 1248

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 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).*

HB 1248 enacts new law referred to as the Prosperity States Compact, which authorizes the creation of prosperity districts.

- 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.*

HB 1248 enacts new law referred to as the Prosperity States Compact, which authorizes the creation of prosperity districts. A prosperity district becomes the sole governing political subdivision, and it replaces all state laws above the baseline of the North Dakota Constitution, common law, criminal law and existing compacts. A prosperity district has, among other things, no taxing power, nor eminent domain or civil forfeiture power; its police powers are restricted to criminal law, common law or the least restrictive regulation; it may not subsidize private enterprise, and any municipal services are limited to competitively contracted public-private partnerships. Its regulatory authority is limited. With the consent of Congress, reforms in prosperity districts are given the status of federal law.

If enacted, HB 1248 puts into place a new governing concept. The fiscal effects associated with the possible formation of prosperity districts cannot be determined.

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.*

- 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.*

- 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.*

**Name:** Kathryn L. Strombeck

**Agency:** Office of Tax Commissioner

**Telephone:** 701.328.3402

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