

FISCAL NOTE

Requested by Legislative Council
01/24/2001

Bill/Resolution No.: SB 2338

Amendment to:

1A. **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.*

1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues					
Expenditures					
Appropriations					

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Senate Bill 2338 will primarily affect Bank of North Dakota (BND) by appropriating the initial \$500,000 funding of the revolving loan program proposed in the bill from BND's accumulated and undivided profits (capital).

SB 2338 proposes that principal and interest received on loan payments made from the fund will revolve back to the fund. Consequently, the only revenue will be the repayment of principal, any remainder of interest paid that is not paid to BND as administrative fees and any interest earned on the cash balance in the fund.

SB 2338 proposes to pay BND a servicing fee for administering the fund from the interest payments received on loans from the fund. Consequently, any and all resulting expenses of the fund will be covered by interest payments received by the fund.

There are no estimates of activity in the proposed fund at this time available to BND to project the revenue or expense effect of SB 2338. The most substantial fiscal effect to BND is likely to be the appropriation of its capital to fund the program.

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.*

See narrative.

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.*

See narrative.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

See narrative.

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Agency: Bank of North Dakota
Date 01/30/2001
Prepared: