

FISCAL NOTE

Requested by Legislative Council

01/21/2003

Bill/Resolution No.: HB 1456

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.*

| | 2001-2003 Biennium | | 2003-2005 Biennium | | 2005-2007 Biennium | | |
|----------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|--------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds | |
| Revenues | | \$0 | \$0 | \$0 | \$8,500,000 | \$0 | \$17,600,000 |
| Expenditures | | \$0 | \$0 | \$0 | \$8,500,000 | \$0 | \$17,600,000 |
| Appropriations | | \$0 | \$0 | \$0 | \$8,500,000 | \$0 | \$17,600,000 |

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

| 2001-2003 Biennium | | | 2003-2005 Biennium | | | 2005-2007 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
| \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

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

This bill provides that railroads are to remit to the state, \$200 for every rail car of grain that originates at shuttle train elevators. There are currently about 18 such elevators in North Dakota. During the most recent crop year, these facilities originated approximately 72.5 million bushels of grain. 2003-05 projections are based on this volume.

Several more such facilities are currently under construction. Ultimately, it is expected that these sites will generate volumes at least equal to what is currently shipped by the state's 25 largest grain elevators - about 150 million bushels per year. 2005-07 projections are based on this volume.

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.*

2003-05 Biennium:

72.5 million bushels = 21,300 rail cars per year

21,300 cars x 2 years x \$200 per car = \$8.5 million

2005-07 Biennium:

150 million bushels = 44,000 rail cars

44,000 cars x 2 years x \$200 per car = \$17.6 million

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.

This bill provides that all revenues generated are to be expended to cover related administrative costs and to make payments to non-shuttle elevators. Annual expenditures should, there equal revenues as outlined above.

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.*

This bill provides for a continuing appropriation to the Public Service Commission to administer this program and to make related payments to non-shuttle train grain elevators based on their rail shipments as a percentage of total rail shipments from all non-shuttle elevators.

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