FISCAL NOTE
Requested by Legislative Council
01/18/2007

REVISION

Bill/Resolution No.:   SB 2143

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$360,850	$0	$360,850
Expenditures	$0	$0	$0	$1,440,000	$0	$1,440,000
Appropriations	$0	$0	$0	$1,480,000	$0	$1,480,000

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$0	$0	$0	$0

2A.   **Bill and fiscal impact summary:**   *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Establishes clean election campaign fund for legislative candidates by giving taxpayers the option of a check off to provide the revenue needed to support distributions. When the optional check off is chosen, it reduces revenue to the state's general fund in a like amount.

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.*

On page 2, lines 16 thru 20, the funding source is established.

On page 4, lines 20 thru 31, the method of distribution of funds to qualified candidates is established.

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.*

According to the Tax Department, 328,000 individuals and 146,010 couples filed tax returns in 2006.

328,000 x $3 = $984,000
146,010 x $6 = $876,060
Potential Revenue = $1,860,060

According to the IRS, 9.7% of taxpayers nationwide contribute to the presidential election fund. Assuming the same percentage of North Dakota contributors to the state's legislative clean election fund, the revenue generated would equal $360,850 over a two year period.

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.*

In 2008, there will be 24 legislative districts on the ballot. Each district will have 6 candidates for a total of 144 candidates. Although not every candidate may apply to receive funding, the estimated expenditures must be calculated on the assumption that all 144 candidates would be eligible to receive a distribution.

To provide a $10,000 distribution to each candidate would require gross revenue of $1,440,000. However, based on the estimated revenue, full distributions could only be made to 20 to 24 candidates and still provide funding to cover the administrative expenses of the agency.

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 is also included in the executive budget or relates to a continuing appropriation.*

The appropriation is higher because the bill states the expenses of the Secretary of State would be covered under the revenue raised. Therefore, the special fund would need this level of spending authority. The higher amount is to cover the hiring of at least a part-time person because of the extensive administrative duties required by the bill, which are significant and cannot be absorbed by the agency's present staffing levels.

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Phone Number:	328-2900	**Date Prepared:**	01/19/2007