

**FISCAL NOTE**  
**Requested by Legislative Council**  
02/14/2007

Amendment to: Engrossed  
SB 2225

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
<b>Revenues</b>			(\$4,928,956)	(\$733,096)	(\$4,928,956)	(\$733,096)
<b>Expenditures</b>				(\$117,792)		(\$117,792)
<b>Appropriations</b>				(\$117,792)		(\$117,792)

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
			(\$8,245)	(\$109,546)		(\$8,245)	(\$109,546)	

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).*

This amendment to the bill reduces the pull tab excise tax from 4.5% to 3%, eliminates the 5% state bingo sales tax, and implements a 3% bingo excise tax. As a result of these tax reductions, gaming grants distributions, which are based on 3% of gaming and excise taxes, are reduced 19%.

**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.*

This bill reduces the pull tab excise tax general fund revenues by (\$3,732,852) - 33%. It eliminates the bingo sales tax revenue of (\$1,562,651) to the general fund and (\$733,096) to the state aid distribution fund.

The bill also lowers from 4.5% to 3% the tax on pulltab excise taxes -a (\$3,732,852) reduction to the general fund.

Gaming grants distributed to cities and counties based on adjusted proceeds for each locale, will be impacted by (\$117,792).

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.*

The pull tab excise tax reduction and elimination of the bingo sales tax will result in a (\$4,928,956) impact on general fund revenues and a (\$733,096) impact on the state aid distribution fund.

This amendment, removing bingo sales tax from the gross proceeds subsection and as a deduction from adjusted gross proceeds, and adding bingo excise tax as a deduction to adjusted gross proceeds, is a housekeeping amendment only and has no fiscal impact.

**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.*

Since the gaming grants distribution is based on 3% of gaming and excise tax collections and awarded based on adjusted gross proceeds in each locale, these grants to cities and counties will be impacted by (\$117,792) (19%).

**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.*

Since the gaming grants distribution is based on 3% of gaming and excise tax collections and awarded based on adjusted gross proceeds in each locale, these grants to cities and counties will be impacted by (\$117,792) (19%).

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