

FISCAL NOTE
Requested by Legislative Council
02/04/2009

Amendment to: SB 2350

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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$190,800	\$0	\$190,800
Expenditures	\$0	\$0	\$0	\$190,800	\$0	\$190,800
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 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).*

This bill creates a North Dakota Ethanol Council which is funded through assessments from each of the ethanol producers in the state.

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.*

Section 7 creates an assessment of three one-hundredths of one cent per gallon of ethanol produced in this state.

Section 12 establishes a continuing appropriation to the North Dakota Ethanol Council from an ethanol fund, which includes the moneys raised from the assessment in Section 7.

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.*

We project an ethanol production capacity of about 318 million gallons annually, for a total of 636 million gallons during the 2009-2011 biennium. Assuming all of the production capacity is utilized, the 636 million gallons of ethanol produced has the potential to generate assessments totalling up to \$190,800. This also assumes that producers won't apply for a refund of their assessment as outlined in Section 10 of the bill.

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.*

The North Dakota Ethanol Council would have the authority to expend the total amount raised through the ethanol production assessment, which could total up to \$190,800. As noted in Section 6, the uses of these funds could include funding of research, education programs, promotion and market development efforts; as well as support of entities that promote ethanol utilization.

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.*

This bill creates a continuing appropriation to the North Dakota Ethanol Council from the newly established ethanol fund.

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