

FISCAL NOTE
Requested by Legislative Council
02/17/2009

REVISION

Amendment to: Engrossed
SB 2438

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						
Expenditures					\$192,216	
Appropriations						

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

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).*

SB 2438 creates a new program within the Department of Commerce to promote agricultural commodities that are sustainably grown in North Dakota. This bill has an effective date of July 1, 2011, so any fiscal impact will start in the 2011-2013 biennium.

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 tasks the Department of Commerce with implementing a program to promote agricultural commodities that are sustainably grown in North Dakota. Department responsibilities under this program include developing a logo, certifying producers that apply to use the logo indicating that they use sustainable growing practices, and promoting the sale and use of products identified as sustainably grown. The Department is also to appoint an advisory committee on sustainable agriculture.

The Department of Commerce is not currently adequately staffed for this program. This program would require either a new employee to manage this program or contracting with an outside entity to perform these responsibilities.

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.*

This bill does allow the department to charge producers a fee for participating in the program with the fees deposited in the general fund. We do not know what fee would be appropriate, nor can we anticipate how many producers would participate in the program. Thus the potential impact to revenues is unknown.

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 Department of Commerce would require an additional FTE to perform the functions outlined in the bill. We estimate that this FTE would require a total of \$192,216 during the biennium including salary and benefits, as well as operating costs such as travel, rent and supplies.

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.

SB 2438 does not contain an appropriations, nor is there any appropriations in any other bill for this purpose.

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