

FISCAL NOTE
Requested by Legislative Council
12/08/2008

Bill/Resolution No.: SB 2062

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						
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 2062 creates an opportunity grant program for students enrolled in institutions of higher education. It also creates an individual income tax deduction for earned income of qualifying new graduates.

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.*

Sections 6 and 7 of SB 2062 create an earned income deduction for individual income tax purposes for qualifying recent graduates. We estimate five to eight percent of our individual income tax base is from young taxpayers who might be of an age to qualify for this income tax deduction. That would translate into \$33 to \$54 million as the possible tax revenue from which the cost of this deduction would be extracted. The state general fund revenue loss that would result from the income tax deduction that would be claimed by individuals who met all the qualifiers set forth in the bill is unknown.

(The fiscal impact of the other sections of the bill are not addressed in this fiscal note at this time)

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.*

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.*

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.*

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