

FISCAL NOTE
 Requested by Legislative Council
 01/28/2011

REVISION

Bill/Resolution No.: HCR3018

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			(\$32,000)		(\$95,700)	
Expenditures						
Appropriations						

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

2009-2011 Biennium			2011-2013 Biennium			2013-2015 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).*

This resolution provides for a constitutional change to limit growth of the foundation aid stabilization fund to 2% per year once the balance reaches \$100 million and provide that additional revenue be deposited instead into the common schools trust fund.

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.*

Under current law, the foundation aid stabilization fund receives 10 percent of oil extraction tax revenues with no limit on the fund balance. As of December 31, 2010, the balance in the foundation aid stabilization fund is approximately \$109 million, in excess of the \$100 million threshold specified in this measure. If this measure is approved by the voters and takes effect in December 2012, approximately \$35 million would be deposited in the common schools trust fund rather than the foundation aid stabilization fund during the last seven months of the 2011-13 biennium, based on the 2010 executive revenue forecast.

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.*

Interest earned on the foundation aid stabilization fund is transferred to the general fund. Interest earned on the common schools trust fund accrues to that fund. Because this measure would limit growth of the foundation aid fund, general fund interest income would be reduced. Assuming average monthly oil collections estimated for the last seven months of fiscal year 2013 continue at that rate for the 2013-15 biennium, and interest rate projections remain unchanged for 2013-15, general fund revenues would be reduced by \$32,000 in 2011-13 and by \$95,700 in 2013-15.

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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