

FISCAL NOTE
Requested by Legislative Council
04/27/2015

Amendment to: SB 2039

- 1 A. **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.*

| | 2013-2015 Biennium | | 2015-2017 Biennium | | 2017-2019 Biennium | |
|----------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | \$500,000 | | \$1,250,000 |
| Expenditures | | | | | | |
| Appropriations | | | | | | |

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

| | 2013-2015 Biennium | 2015-2017 Biennium | 2017-2019 Biennium |
|------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Section 5 provides that Bank of North Dakota may provide up to \$200 million from the school construction assistance loan fund to eligible school districts for school construction loans except that the total of all loans provided under this section prior to July 1, 2018 may not exceed \$100 million.

- 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 5 allows BND to charge a school district a fee for managing and servicing the loan. BND anticipates the fee to be .50% on the outstanding loan balance which is described in section 2A and 2B below.

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.*

Section 5 allows BND to charge a school district a fee for managing and servicing the loan. BND anticipates the fee to be .50% on the outstanding loan amount. In 2015-17 the assumption is an outstanding balance of \$100 million which is the maximum for that biennium as set out in Section 5 times .50% equals \$500,000. In the 2017-19 biennium it is anticipated the school construction loan fundings will be gradually increased and will be fully funded by the end of that biennium with estimated fee revenues collected of \$1,250,000.

- 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.*

Section 5 allows BND to charge a school district a fee for managing and servicing the loan. The estimated expenditures to administer the school construction assistance loan fund in the 2015-17 and 2017-19 bienniums include staffing and other administrative costs which are not determinable at this time.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

N/A

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