

FISCAL NOTE
Requested by Legislative Council
01/23/2015

Bill/Resolution No.: SB 2281

- 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			\$(2,400,000)	\$(18,700,000)	\$(2,400,000)	\$(18,700,000)
Expenditures			\$10,800,000		\$11,700,000	
Appropriations			\$10,800,000		\$11,700,000	

- 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).*

Provides a tuition & fee reduction (waiver) of \$3 for every hour of child care provided or a tax credit equal to 1/3 of all wages, to child care providers and their spouse, child, sibling or grandchild.

- 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 1: Provides tuition and fee reduction equal to \$3 for every hour of child care provided.

Section 2: Provides a tax credit equal to one-third of all child care wages, but not to exceed taxpayer's income tax liability.

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.*

NDUS estimates \$18.7 M tuition reduction (or waiver) of \$6,340 each for 10% of estimated eligible pool (licensed providers and employees=7,500 + 1 dependent each or total of 15,000)

The Tax Department estimates Sections 2 and 3 of SB 2281, if enacted, will reduce state general fund revenues by approximately \$2,400,000 in the 2015-17 biennium.

The above estimates do not adequately address that the individual is only available for the tuition reduction or tax credit, not both, as the estimates were prepared independently; and, it is difficult to determine which would be most advantageous to each individual.

- 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.*

NDUS estimates increased expenditures related to increased enrollments of 1,500 students (10% of eligible pool) taking 15 semester hours at \$120 per SCH = \$10.8 M in 15-17 and \$11.7 M in 17-19.

- 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.*

NDUS estimates increased funding formula appropriation related to increased enrollments of 1,500 students (10% of eligible pool) taking 15 semester hours at \$120 per SCH = \$10.8 M in 15-17 and an estimated \$11.7 M at \$130 SCH in 17-19.

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