21.0693.02000

# FISCAL NOTE
**Requested by Legislative Council**
**01/18/2021**

Bill/Resolution No.: HB 1475

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.*

| | 2019-2021 Biennium | | 2021-2023 Biennium | | 2023-2025 Biennium | |
|---|---|---|---|---|---|---|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | | | |
| Expenditures | | | | | | |
| Appropriations | | | | | | |

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

| | 2019-2021 Biennium | 2021-2023 Biennium | 2023-2025 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).*

House Bill 1475 creates a new agriculture innovation fund along with an accompanying advisory board. It also directs 20% of the legacy fund earnings that are constitutionally mandated to be transferred to the general fund to be immediately transferred into this new fund each 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.*

Section 1 of the bill creates the agriculture innovation fund, spells out purposes and directions for the fund, creates and defines the membership of the overseeing advisory board, and further directs the board's duties and responsibilities.

Section 2 of the bill requires the state treasurer to transfer twenty percent (20%) of any legacy fund earnings that are transferred to the general fund at the end of each biennium to this new agriculture innovation fund.

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.*

For the 2021-23 biennium and going forward, Section 2 of the bill will require twenty percent (20%) of the constitutionally mandated legacy fund earnings which are transferred in to the general fund be transferred immediately to the new agriculture innovation fund. Therefore, for the 2021-23 biennium, there will be a reduction in the available general fund revenues in an amount equal to 20% of the legacy fund earnings for the biennium.

Due to the complexity of estimating the legacy fund earnings under the current statutory definition of earnings, it would be very difficult to accurately estimate the actual amount of legacy fund earnings that would be transferred to the general fund and, subsequently, the 20% to the new agriculture innovation fund for the biennium.

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

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