

FISCAL NOTE
Requested by Legislative Council
01/26/2007

Amendment to: HB 1171

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.*

| | 2005-2007 Biennium | | 2007-2009 Biennium | | 2009-2011 Biennium | |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | \$0 | \$0 | \$0 | (\$700) | \$0 | (\$700) |
| Expenditures | \$0 | \$0 | \$0 | \$7,000 | \$0 | \$7,300 |
| Appropriations | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

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

| 2005-2007 Biennium | | | 2007-2009 Biennium | | | 2009-2011 Biennium | | |
|--------------------|--------|------------------|--------------------|--------|------------------|--------------------|--------|------------------|
| Counties | Cities | School Districts | Counties | Cities | School Districts | Counties | Cities | School Districts |
| \$0 | \$0 | \$0 | \$7,000 | \$0 | (\$6,300) | \$7,300 | \$0 | (\$6,600) |

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).*

Engrossed HB 1171 changes the current 5% service fee to actual mills as similarly paid by private landowners as a fee assessed against the Trust Funds managed by the Board of University and School Lands to be paid to Townships and Counties for maintenance and repairs of roads and bridges.

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.*

Revenues to Counties are increased by the amount of the fee increase paid. Distributions received by the school districts are reduced by the amount applicable to the Common Schools Trust Fund grant lands, approximately 90% of the total fee, and the remaining 10% comes from the various university and institution Trust Funds.

The engrossed bill numbers were based on actual mills as provided by Grant County applied statewide. Adjustments were made to land values for valuations based on 25% soils classified as cropland.

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.*

Currently, the 5% service fee is expensed against the applicable Trust Fund. As a result, the amount of money available to distribute to Trust Fund beneficiaries is reduced by a like amount.

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.*

For the 2007-09 biennium, distributions of \$66.8 million are included in the budget forecasts for the schools (K-12), and another \$4.4 million in distributions are budgeted for the universities and institutions. No adjustments to distributed amounts are necessary as the impact is not material.

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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