

FISCAL NOTE

Requested by Legislative Council
01/27/2005

Amendment to: HB 1360

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$36,502	\$0	\$40,047
Expenditures	\$0	\$0	\$0	\$91,255	\$0	\$105,475
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Change in existing statute does not necessarily indicate an increase in loan volume. The change allows students attending an institution of higher education at a status of less than part-time or a dual credit high school student to be eligible to borrow for costs of attending the college of their choice.

A high school student participating in the DUAL credit program averages 3 to 4 credit hours per semester and may incur the following annual costs:

- \$900 - tuition for 2 semesters
- \$50 - application fee
- \$200 - book fee
- \$50 - other expenses

\$1,200 - total per year

Currently, approximately 1,100 students participate in the North Dakota DUAL credit program. An increase of 4% per year for the next 5 to 6 years is projected. The number of participants who would borrow funds for this program is approximately 25% to 100% requiring annual funding of approximately \$343,000 to \$1.4 million.

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.*

An estimated 4% increase in students per year.

An estimated 3% increase of loan amounts per year starting at \$1,200.

An estimated claim rate of 5.87%.

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.*

Amount required for projected reserves and projected claims.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

n/a

Name: Julie Kubisiak
Phone Number: 328-5621

Agency: Bank of North Dakota
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