

FISCAL NOTE
Requested by Legislative Council
01/18/2007

Bill/Resolution No.: HB 1521

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				(\$25,500,000)		(\$25,500,000)
Expenditures						
Appropriations			\$25,500,000		\$25,500,000	

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

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).*

Freezes tuition at Spring 2007 rates and provides an appropriation to cover lost tuition revenue.

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.*

07-09 budget request was based on no more than 5% annual tuition rate increases. A five percent annual tuition rate increase generates \$25.5 million in additional revenues for the NDUS in 07-09, which would be lost under the provisions of the bill.

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.*

\$25.5 million in lost tuition revenues if tuition is frozen at current levels. This is the amount an annual five percent tuition increase generates.

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

The lost tuition revenues of \$25.5 million would need to be offset with increased state general fund appropriations of \$25.5 million to cover 07-09 cost increases. In addition, state base funding in HB1003 would need to increase by \$8.120 million and in HB1019 by \$2.7 million to achieve the appropriate base state funding level for the NDUS.

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