

April 20, 2017

FISCAL IMPACT REPORT

This report reflects floor action through Wednesday, April 19, 2017, for bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact that is not included in state agency appropriation bills, unless indicated (*). An * indicates the bill's fiscal impact is reflected in budget status.

Section A - State Revenue Impact

Bill No.	Description (Sponsor)	Committee	Effect on Revenues	
			General Fund	Other Funds
1024	Beginning balance - Provides funding from the strategic investment and improvements fund for deficiency appropriations for various agencies and for a transfer to the general fund for the 2015-17 biennium (Governor) (Passed House) (Passed Senate)		\$155,000,000 *	(\$164,518,500)
1045	Income tax - Provides an expiration date to remove the income tax credits for angel fund investments and increases the amount of credits allowed per tax year for the seed capital credit program (Legislative Management) (Passed Both Chambers)		\$900,000 *	
1088	Departmental collections - Authorizes the Office of Management and Budget to utilize the risk management fund to cover costs relating to information technology security incidents, which may result in increases to the risk assessment premiums charged to state agencies (Office of Management and Budget) (Passed Both Chambers)		The effect on revenues cannot be determined	
1110	Departmental collections - Authorizes the Department of Transportation to enter into cooperative agreements with private entities for the cost to construct certain items on the state highway system for the benefit of the public (Department of Transportation) (Passed Both Chambers)		The effect on revenues cannot be determined	
1119	Departmental collections - Authorizes Department of Human Services to collect overpayments from service payments under the service payments for elderly and disabled program from any person that benefited or was responsible for the overpayment (Department of Human Services) (Passed Both Chambers)		The effect on revenues cannot be determined	
1152	Oil and gas tax collections - Changes the allocation of the state's share of oil and gas taxes to increase the allocation to the general fund and to provide allocations to the budget stabilization fund and the lignite research fund (Representative Delzer) (Passed House)	SAP	\$100,000,000 *	(\$100,000,000)
1178	Departmental collections - Authorizes the increase of assessed communications service fees and the prepaid wireless emergency 911 fee (Representative Porter) (Passed Both Chambers)			\$10,063,000
1217	Departmental collections - Removes the provisions that allow for a discount of up to 50 percent on aircraft registration fees (Representative Schreiber-Beck) (Passed Both Chambers)			\$150,000
1245	Sales and use tax - Authorizes political subdivisions to permit the sale of alcoholic beverages on Sunday (Representative Beadle) (Passed Both Chambers)		The effect on revenues cannot be determined	
1255	Departmental collections - Creates a large truck primary highway network and a monthly or annual permit for overweight vehicles utilizing the network (Representative Ruby) (Passed Both Chambers)			\$607,750
1288	Departmental collections - Creates an annual permit fee for over-length loads and increases the permit fee for over-width loads (Representative Ruby) (Passed Both Chambers)			\$285,480
1293	Departmental collections - Provides a \$250 fine for trespass violations (Representative Grueneich) (Passed Both Chambers)		(\$89,500) *	\$107,400

Bill No.	Description (Sponsor)	Committee	Effect on Revenues	
			General Fund	Other Funds
2029	Departmental collections - Provides for an application fee of \$150 for industrial hemp and increases the industrial hemp per acre fee. (Legislative Management) (Passed Both Chambers)			\$170,700
2031	Coal conversion tax - Continues the 5 percent allocation of the general fund share of coal conversion tax revenue collections to the lignite research fund (Legislative Management) (Passed Both Chambers)		(\$1,200,000) *	\$1,200,000
2045	Departmental collections - Allows certain overweight violation fees to continue to be retained by the jurisdiction with the road on which the violation occurred rather than be deposited in the state highway fund (Legislative Management) (Passed Both Chambers)			(\$200,000)
2133	Coal conversion tax - Changes the definition of gross receipts for coal conversion tax purposes, reduces the tax rate from 4.1 to 2 percent, and limits the carbon dioxide capture credit (Senator Unruh) (Passed Both Chambers)		\$1,055,000 *	(\$193,000)
2134	Mineral leasing fees - Defines sovereign minerals within the Missouri River reservoirs as the former river channel depicted in federal surveys, reducing the mineral leasing revenue to the strategic investment and improvements fund (Senator Armstrong) (Passed Both Chambers)			(\$48,063,708)
2199	Various tax collections - Provides various tax exemptions for out-of-state businesses and its employees who are in the state for the sole purpose of repairing or replacing critical infrastructure during a disaster response period associated with a state-declared disaster or emergency (Senator Cook) (Passed Both Chambers)		The effect on revenues cannot be determined	
2210	Departmental collections - Authorizes the Secretary of State to charge fees for the administration of combative sports (Senator Sorvaag) (Passed Both Chambers)		The effect on revenues cannot be determined	
2283	Departmental collections - Requires entities to be current with state and local tax obligations in order to qualify for state tax benefits (Senator Cook) (Passed Both Chambers)		The effect on revenues cannot be determined	
2298	Sales and use tax collections - Requires certain out-of-state sellers of taxable goods and services to collect and remit sales and use taxes (Senator Cook) (Passed Both Chambers)		The effect on revenues cannot be determined	
2310	Departmental collections - Increases the electrical project value threshold which would require an inspection for electrical wiring installations resulting in a decrease in fee collections (Senator Kannianen) (Passed Both Chambers)			(\$153,000)
2311	Departmental collections - Provide for the Bank of North Dakota to charge a one-time fee for issuing a line of credit for unemployment insurance liability related to the Williston airport (Senator Bekkedahl) (Passed Both Chambers)			\$60,000
2330	Sales and use tax - Provides for a reduced rate on the gross receipts tax for machinery and equipment installed on a dairy farm (Senator Wanzek) (Passed Both Chambers)		(\$91,300) *	(\$8,700)
2344	Sales and use tax and departmental collections - Provides for sales tax collections and various fees associated with the manufacture and distribution of medical marijuana (Senator Wardner) (Passed Both Chambers)		\$1,600,000 *	\$987,500
			<u>\$0</u>	<u>(\$299,505,078)</u>

Section B - Appropriation or State Fiscal Impact

Bill No.	Description (Sponsor)	Committee	Appropriation		Effect on Expenditures	
			General Fund	Other Funds	General Fund	Other Funds
1024	Regulatory - Provides appropriations to various agencies and allows the adjutant general, judicial branch, and Commission on Legal Counsel for Indigents to borrow funds from the Bank of North Dakota to provide funding related to protest activity (Appropriations Committee) (Passed House) (Passed Senate)			\$39,708,224 *		\$39,708,224 *
1038	Health and welfare - Provides an appropriation from special funds to the Department of Human Services for the respite care program (Legislative Management) (Passed Both Chambers)			\$200,000 *		\$200,000 *
1040	Health and welfare - Provides appropriations to the Department of Human Services to expand behavioral health services (Legislative Management) (Passed House) (Passed Senate)		\$400,000 *		\$400,000 *	
1041	Public safety - Relates to probation, medical parole, grading of offenses, sentence reduction, treatment and counseling services, access to nutrition assistance programs, and the creation of a pretrial services pilot program (Legislative Management) (Passed Both Chambers)		\$110,916 *	\$1,532,785 *	(\$1,832,456)	\$1,532,785 *
1088	General government - Allows the Office of Management and Budget to use funds from the risk management fund to pay for notification and remediation costs following a data breach involving a state entity or the cost of insurance to cover data breach response and remediation costs (Office of Management and Budget) (Passed Both Chambers)				The effect on expenditures cannot be determined	
1101	Regulatory - Reduces the frequency of historical loss analyses (Insurance Commissioner) (Passed Both Chambers)					(\$438,100)
1110	Regulatory - Allows the Department of Transportation to enter into cooperative agreements in which private entities share the cost of construction of the state highway system (Department of Transportation) (Passed Both Chambers)				The effect on expenditures cannot be determined	
1126	Regulatory - Changes the regulation of grain warehouses and grain buyers (Public Service Commission) (Passed Both Chambers)				(\$88,622)	
1128	Transportation - Requires the Director of the Department of Transportation to provide central identity management for all state agencies for citizens who possess a nondriver photo identification card or driver's license utilizing driver record data (Department of Transportation) (Passed Both Chambers)					\$1,300,500

Bill No.	Description (Sponsor)	Committee	Appropriation		Effect on Expenditures		
			General Fund	Other Funds	General Fund	Other Funds	
1149	General government - Increases the annual receipts threshold for allowing occupational or professional boards to submit an annual report to the State Auditor instead of a required audit (Representative Porter) (Passed Both Chambers)				The effect on expenditures cannot be determined		
1156	Regulatory - Defines medical marijuana for workers compensation purposes (Representative Keiser) (Passed Both Chambers)				The effect on expenditures cannot be determined		
1178	General government - Authorizes a loan from the Bank of North Dakota to the Information Technology Department related to the statewide interoperable radio network (Representative Porter) (Passed Both Chambers)			\$15,000,000 *		\$15,000,000 *	
1194	General government - Requires the Attorney General to develop a card containing the rights of victims under Marsy's Law (Representative Klemin) (Passed Both Chambers)				The effect on expenditures cannot be determined		
1196	Health and welfare - Allows additional expenditures by Job Service North Dakota from the federal interest advance repayment account (Representative D. Ruby) (Passed Both Chambers)					\$915,165	
1269	Relates to grading of offenses related to illegal possession of controlled substances (Representative Olson) (Passed Both Chambers)				(\$188,716)		
1300	Education - Classifies the Board of University and School Lands as an administrative agency (Representative Kempenich) (Passed Both Chambers)					\$746,720	
1324	Education - Establishes the policy for the K-12 funding formula (Representative Owens) (Passed Both Chambers)				\$18,564,163 *		
1347	Regulatory - Provides an appropriation from the abandoned oil and gas well plugging and site reclamation fund to the Industrial Commission to conduct brine pond and soil remediation studies (Representative D. Anderson) (Passed Both Chambers)			\$5,000,000 *		\$5,000,000* \$500,000	
1419	Natural resources - Provides an appropriation to the Game and Fish Department for a shooting sports grant (Representative Mock) (Passed Both Chambers)			\$250,000 *		\$250,000 *	
Total House bills				<u>\$0</u>	<u>\$0</u>	<u>(\$2,109,794)</u>	<u>\$3,024,285</u>

Section B - Appropriation or State Fiscal Impact

Bill No.	Description (Sponsor)	Committee	Appropriation		Effect on Expenditures	
			General Fund	Other Funds	General Fund	Other Funds
2029	Agriculture and economic development - Requires the Agriculture Commissioner oversee industrial hemp growth, harvest seasons, and processing (Legislative Management) (Passed Both Chambers)				\$43,003 \$120,000*	
2035	Higher education - Continues a minimum amount payable to an institution through the higher education funding formula (Legislative Management) (Passed Senate)	HAP			\$2,398,619	
2099	Health and welfare - Provides the State Department of Health may establish a program to purchase vaccines through a federal contract (State Department of Health) (Passed Both Chambers)				(\$2,976,853) *	
2107	Public safety - Amends pay and other benefits for National Guard members while performing active duty in response to state emergencies (Adjutant General) (Passed Both Chambers)					\$249,700
2119	Health and welfare - Directs Job Service North Dakota to study the feasibility and desirability of selling selected properties (Job Service North Dakota) (Passed Senate) (Passed House)					\$124,000
2134	Education - Changes the definition of sovereign land mineral ownership within Missouri River reservoirs (Senator Armstrong) (Passed Both Chambers)			\$187,800,000 *		\$187,800,000 *
2144	Industrial development - Provides an appropriation to the Department of Commerce for workforce grants to tribally controlled community colleges (Senator Wardner) (Passed Both Chambers)			\$500,000 *		\$500,000 *
2174	Public Safety - Allows the Adjutant General to borrow funds from the Bank of North Dakota for law enforcement support costs related to unlawful activity associated with the construction of the Dakota access pipeline (Senator Wardner) (Passed Both Chambers)			\$11,000,000 *		\$11,000,000 *
2191	General government - Provides an appropriation to the Attorney General for community-based or hospital-based sexual assault examiners program grants (Senator Armstrong) (Passed Both Chambers)			\$150,000 *		\$150,000 *
2196	Education - Provides an appropriation to Valley City State University for the construction of an integrated carbon plant (Senator Laffen) (Passed Both Chambers)			\$22,500,000 *		\$22,500,000 *

Bill No.	Description (Sponsor)	Committee	Appropriation		Effect on Expenditures	
			General Fund	Other Funds	General Fund	Other Funds
2203	General government - Provides an appropriation to the Attorney General for grants to organizations for prevention and treatment services related to human trafficking victims (Senator Dever) (Passed Both Chambers)		\$125,000 *		\$125,000 *	
2206	Health and welfare - Provides an appropriation to the Department of Human Services for a state-paid economic assistance and social services pilot program (Senator Bekkedahl) (Passed Senate) (Passed House)		\$161,000,000 *		\$161,000,000 *	
2224	General government - Provides an appropriation to the Office of Management and Budget for community service supervision grants (Senator Wardner) (Passed Both Chambers)		\$350,000 *		\$350,000 *	
2242	Education - Provides an appropriation to Minot State University for various capital projects (Senator Krebsbach) (Passed Both Chambers)			\$2,284,000 *		\$2,284,000 *
2244	Education - Provides an appropriation from the student loan trust fund to the State Board of Higher Education to establish a dual-credit course pilot program (Senator Schaible) (Passed Both Chambers)			\$200,000 *		\$200,000 *
2272	Education - Provides appropriations from the foundation aid stabilization fund to the Department of Public Instruction for rapid enrollment grants and English language learner grants (Senator Schaible) (Passed Both Chambers)			\$6,500,000 *		\$6,500,000 *
2303	General government - Changes sex offender registration requirements (Senator D. Larson) (Passed Both Chambers)				\$68,200	
2307	Education - Changes the eligibility criteria for student contracts of students placed for noneducational purposes (Senator Rust) (Passed Both Chambers)				\$500,000	
2313	Agriculture and economic development - Provides for a wind energy restoration and reclamation program (Senator Unruh) (Passed Both Chambers)				\$50,000	
2321	Education - Increases the unobligated general fund balance school districts are allowed before state aid is reduced (Senator Wanzek) (Passed Both Chambers)				\$600,000	
2343	General government - Establishes new campaign finance reporting requirements (Senator Casper) (Passed Both Chambers)				\$50,000	
2344	Health and welfare - Provides for the implementation of the North Dakota Compassionate Care Act to authorize medical marijuana (Senator Wardner) (Passed Both Chambers)				\$723,270* \$162,085	\$837,500 *
	Total Senate bills		<u>\$0</u>	<u>\$0</u>	<u>\$3,871,907</u>	<u>\$373,700</u>
	Grand total		<u>\$0</u>	<u>\$0</u>	<u>\$1,762,113</u>	<u>\$3,397,985</u>