

FISCAL NOTE

Requested by Legislative Council
01/11/2001

REVISION

Bill/Resolution No.: SB 2029

Amendment to:

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.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			(\$900,000)	\$900,000	(\$500,000)	\$500,000
Expenditures						
Appropriations						

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

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

SB 2029 directs that interest earned on moneys in the Water Development Trust Fund (WDTF) be deposited in the Community Health Trust Fund. Interest earned in the WDTF is currently deposited in the General Fund. HB 1151 indicates that the interest earned should remain in the WDTF. Therefore, HB 1151 and SB 2029 are in conflict. The amount of interest earned is highly dependent on the rate of expenditures out of the WDTF. The Executive Recommendation assumes that the Water Commission's operations expenditures (\$10.1 million) would be taken from the WDTF. If the Water Commission's operations are funded from the WDTF, the estimate of interest earned is \$900,000. If the Water Commission's operations are funded from the General Fund, the estimate of interest earned is \$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.*

All calculations were based on a 5.5 percent average interest rate and assumes the WDTF would be drawn down to the \$3-\$5 million range before new bonds would be issued. Interest earned after July 1, 2003, would be less because of a lower average balance in the WDTF.

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, 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.*

Name: Dale Frink
Phone Number: 328-4998

Agency: Water Commission
Date 01/12/2001
Prepared: