

FISCAL NOTE

Requested by Legislative Council
02/20/2001

Bill/Resolution No.:

Amendment to: HB 1283

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						
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.*

HB 1283 calls for an interest rate subsidy for persons who: 1) are a current resident of this state; or 2) attended an institution of higher education in this state; and, 3) are employed in a technology occupation in this state which has been designated by Job Service.

From what we have been able to determine, Job Service has not defined "technology" occupations, and in fact, would likely need to put a great deal of effort into such a definition because of the evolving nature of "technology", nor do they have any idea how many people would be affected.

Since existing Bank systems do not support such a system of rate reductions, we would likely be looking at some sort of database application.

The benefits of this legislation are not limited to Bank of North Dakota borrowers, therefore, we would need to be able to make payments to other lenders.

The benefits of this legislation are not limited to future borrowers; existing borrowers would also be eligible.

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.*

n/a

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.*

This bill contains no appropriation of monies. If the Bank of North Dakota is to fund it, we are concerned about the level of funding it will require and the impact on future earnings of the Bank.

For each 1,000 students eligible for these benefits, we estimate our costs for the biennium to be: Labor (1 FTE) - \$63,000; Operations costs - \$9,600; and Interest benefits - \$139,000, for a total of \$211,600.

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.*

None of these expenditures have been included in the appropriations requests of the Bank of North Dakota.

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Agency: Bank of North Dakota
Date 02/20/2001
Prepared: