FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1209 Amendment to: _____

Requested by Legislative Council Date of Request: 1-8-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

Chapter 26.1-50, enacted by the 1997 Legislative Assembly, established the Low Risk Incentive Fund as an incentive to encourage insurance companies doing business in North Dakota to invest in businesses in North Dakota. The Act provides a premium tax credit for insurance companies investing in such businesses and meeting certain requirements, the fiscal impact of which was determined during the enactment of the law and is capped by a maximum statutory aggregate tax credit of $750,000.

House Bill No. 1209 amends Chapter 26.1-50 and provides additional incentives for insurance companies to participate in the program established under that chapter. The degree to which insurance companies will utilize the Low-Risk Incentive fund as an investment opportunity, thereby triggering a fiscal impact, is unknown at this time and is completely unpredictable. The maximum credit allowed would not change due to the amendments contained in House Bill No. 1209, however.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	0	0	0	0	0	0
Expenditures:	0	0	0	0	0	0

3. What, if any, is the effect of this measure on the appropriation for your agency or department:
   a. For rest of 1997-99 biennium: None
   b. For the 1999-2001 biennium: None
   c. For the 2001-03 biennium: None

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
0	0	0	0	0	0	0	0	0

If additional space is needed, attach a supplemental sheet.

Signed Trent C. Heinemeyer

Typed Name Trent C. Heinemeyer

Date Prepared: 1/11/98

Department Insurance Department

Phone Number 328-2440