

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill No. 1090

(List bill or resolution and number, if available, or subject)

Amendment to: _____

(List bill or resolution and number)

Requested by: Legislative Council Date of receipt: Jan. 3 1977

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed, attach a supplementary sheet. (Please type) House Bill 1090 amends Section 15-10-28.1 of the 1975 Supplement to the North Dakota Century Code. That section requires that students in veterinary medicine, dentistry or optometry at out-of-state institutions having contracts with North Dakota shall sign a note each year. If the student returns to North Dakota to practice following graduation the notes and accrued interest shall be repaid at the rate of one-third per year of practice. At the end of three years the notes and interest will be paid in full.

The amendment provides that students who were enrolled in these contract institutions prior to July 1, 1975, shall upon return have their notes and interest canceled in two years at the rate of 50% per year. The law prior to 1975 had a two-year return requirement.

The fiscal impact of this amendment would be virtually nil. Perhaps it can best be illustrated by assuming there are two students returning to practice, each owing \$9000. Both stay two years and then leave the state. One was under the program before 1975 and is obligated to return for two years. The other has the three-year obligation. The first student has \$4500 canceled per year, plus the interest, so that at the end of two years he has fully met his obligation. The second student gets one-third or \$3000 of principal waived per year. Thus, at the end of two years \$3000 of his principal, plus accrued interest for one year, would remain outstanding. Presumably this amount would be collectible and if so, there would be no fiscal impact.

_____ If it appears this legislative proposal may have a fiscal effect upon one or more of the cities and counties of this state but your agency does not have the information available, or cannot gather the information on a timely basis, to allow a dollar estimate, please check one or more of the following:

_____ The measure does have a fiscal impact in an unknown amount

_____ The measure does have a fiscal impact in a dollar amount estimated on the basis of inadequate information. (Enter dollar estimate in space above).

_____ The fiscal impact of the measure is unknown.

Date of preparation: Jan. 5, 1977

Signed

Lloyd H. Nygaard

Typed Name

Lloyd H. Nygaard

Department

State Board of Higher Education