

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

SENATE BILL NO. 2106
(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: 12-23 1976

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)

If this legislation is passed as submitted no fiscal impact should result. Through displacement of personnel in our loan department to the mineral department no additional personnel will be necessary to absorb the administrative responsibilities connected with the mineral properties received from the Bank of North Dakota. The same should be true for the Bank of North Dakota. (See Bank of North Dakota fiscal note to SB 2106).

Our present appropriations request for the upcoming Biennium was developed with this legislation in mind. Should SB 2106 not pass or pass in a greatly amended version an additional appropriation for equipment would be necessary to accomplish the suggestions made in a recent audit. In the audit conducted for fiscal year 1974-75 the auditors stated in their opinion:

Currently, the Board records are not using all the aspects of the fund accounting system. The Board should consider revising and updating their accounting system, which would include adopting a general ledger system based on the fund accounting principle. Also, consideration should be given to purchasing accounting equipment necessary to install better and less time consuming internal controls.

To comply with this directive modern, expensive accounting equipment would have to be purchased including a computer terminal to modernize all billing procedures. All of this equipment including the computer hook-ups is currently in use at the Bank of North Dakota. The Bank has indicated that it could absorb the administration of our loans without additional costs due to displacement of staff in the minerals department. From an investment and revenue standpoint this bill has no fiscal impact. Income derived from the minerals now under control of the Bank of North Dakota will continue to accrue to the General Fund. Funds invested in farm loans will continue to be derived from land. ~~If it appears this legislative proposal may have a fiscal effect upon one or more of the sites 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.~~

department trust funds.

Date of preparation: 12-27-76

Signed R. E. Lommen

Typed Name R. E. Lommen, Commissioner

Department State Land Department