

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill No. 1136

(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:

28 December

1978

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)

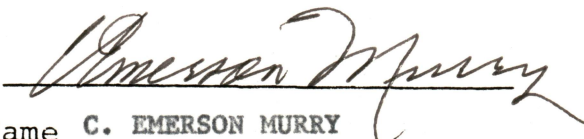
Section 1 - No fiscal impact.

Section 2 - Involves the sale of unsuitable military property. In most instances, this involves obsolete used military property originally received from the Federal Government, but which was dropped from the Federal Records as accountable property, but because of some utility to the North Dakota National Guard, was retained and not hauled to the Property Disposal Officer at one of the Air Bases. In some instances it is now junk and not worth hauling to the Property Disposal Officer, but could be sold as scrap metal. In other instances it has some value and could be sold at auction, by sealed bid, or if this is not feasible, through a private sale. Section 37-03-13 authorizes the sale of such property with the proceeds being placed in the Military Property Improvement Fund, but Section 37-03-08 conflicts with this Section stating that the property should be disposed of as other surplus state property. Consequently, since the ownership of such property is uncertain and because of the conflict between the two statutes, practically none has been disposed of for about ten years. If the property were sold as proposed in this section, an audit trail would exist if the federal government should ever want the property accounted for, and since the proceeds would be used for military purposes, we believe this would be acceptable to the Army and Air Force. It is estimated that the State and its National Guard would gain between five and ten thousand dollars over the next two years through such sales, and from \$500 to \$1,000 each biennium thereafter.

Section 3 - No fiscal impact.

(continued on p. 2)

Signed



Typed Name

C. EMERSON MURRY

Date Prepared:

2 January 1979

Department

Adjutant General

FISCAL NOTE, House Bill No. 1136, CONT.

Section 4 - This amendment would raise the contribution of the State in the construction of municipally owned Armories from \$20,000 per National Guard unit stationed at that Armory to \$50,000. Armories are built with a fixed level of federal participation, a flat state contribution, and the balance is paid by the city where the Armory is located. The level of state participation was set in 1953, and with the radical increase in construction costs since that time, it is believed the amount should be increased to more nearly relate to current costs. It is anticipated that one city armory will be built during the 1979-1981 biennium with the State's share of the matching funds coming from surplus Vietnam Bonus Funds.

Costs beyond that period will depend upon the number of armories meeting federal criteria for replacement, and the availability of federal, state, and local funds. It is anticipated that future State Armory Construction contributions will continue to come from the reappropriation of Surplus Bonus Funds as has been the case in the past. Fiscal impact 1979-1981 would be \$30,000 from Bonus Funds.

Section 5 - No fiscal impact.

Section 6 - No fiscal impact.