

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: 2391 Amendment to: _____

Requested by: Legislative Council Date of Receipt: _____

Please estimate the fiscal impact of the above measure for:

State general or special funds Counties Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

Under the provisions of the North Dakota Bond Guarantee Program, a project lessee would be required to deposit one year's principal and interest payment into a debt service reserve account. This money essentially will serve as added insurance for the payment of principal and interest payments when due. It should be noted that the money placed in the debt service reserve account belongs to the project lessee. This legislation provides that the interest earned on the debt service reserve account would accrue to the project lessee's debt service account rather than the state guarantee fund. If the interest accrues to the guarantee fund, it adds significantly to the project lessee's cost of using the Guarantee Program.

The bond guarantee fund is a separate and independent fund; thus, this legislation would not have any fiscal effect on the State of North Dakota.

State Fiscal Effect:

1983-84		1984-85		Biennium Total	
Special Funds	General Fund	Special Funds	General Fund	Special Funds	General Fund

County and City Fiscal Effect:

1983-84		1984-85		Biennium Total	
Counties	Cities	Counties	Cities	Counties	Cities

If additional space is needed, attach a supplemental sheet.

Signed Myron G. Nelson

Typed Name Myron G. Nelson

Date prepared: 1-24-83

Department Economic Development Commission