

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: Senate Bill No. 2341 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:

Fiscal impact will depend on how the 49th Legislative Assembly decides to act on the handling of the Vietnam Veterans Bonus bond sinking fund. (See attached wheet prepared by Legislative Council Staff, January 1985.)

State Fiscal Effect:

<u>1985-86</u>		<u>1986-87</u>		<u>Biennium Total</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>

County and City Fiscal Effect:

<u>1985-86</u>		<u>1986-87</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>

If additional space is needed, attach a supplemental sheet.

Signed Blane D. Braunberger

Typed Name Blane D. Braunberger

Date prepared: January 28, 1985

Department State Treasurer

January 1985

*File
Vietnam Veterans
Fund*

ANALYSIS OF THE VIETNAM BOND SINKING FUND CASH BALANCE
FOR THE PERIOD JULY 1, 1983, THROUGH NOVEMBER 1, 1986

Sinking Fund Cash Balance - July 1, 1983 \$ 1,933,364

Add: Estimated Receipts 1983-85
Biennium:

Transfer from the state general fund	\$ 190,000	<u>1/</u>	
Interest income	1,112,995		
Federal home loan mortgage note - Principal and interest	1,766,000		
Proceeds from sale of federal home loan mortgage note	11,746,036		14,815,031
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Total Estimated Amount Available for 1983-85 Biennium \$16,748,395

Less: Estimated Payments and
Appropriations 1983-85 Biennium:

Vietnam veteran general obligation bonds - Principal and interest	\$ 3,764,472		
Adjutant General - Capital improvements - SB 2023	190,000	<u>2/</u>	
Adjutant General - Army and Air Guard service contracts - SB 2023	1,050,000		5,004,472
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Estimated Sinking Fund Cash Balance - June 30, 1985 \$11,743,923

Add: Estimated Receipts 1985-87
Biennium:

Interest income			<u>\$ 1,838,174</u>
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Total Estimated Amount Available for 1985-87 Biennium \$13,582,097

Less: Estimated Payments and
Appropriations 1985-87 Biennium:

Vietnam veteran general obligation bonds - Principal and interest (includes the November 1, 1986, final bonds payment)	\$ 3,808,570		
Appropriations recommended in executive budget:			
Veterans' Home - Operations - HB 1012	1,044,057		
Adjutant General - Capital improvements - HB 1016	150,000		
Adjutant General - Recruiting and retention - HB 1016	124,136		
Adjutant General - Army and Air Guard service contract - HB 1016	838,969		5,965,732
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Estimated Sinking Fund Cash Balance - November 1, 1986 \$7,616,365 4/

January 1985

ANALYSIS OF THE VETERANS' POSTWAR TRUST FUND
FOR THE 1983-85 AND 1985-87 BIENNIUMS

Trust fund balance - July 1, 1983		\$4,257,762 <u>1/</u>
Add: Estimated earnings - 1983-85 biennium		708,885
Total		<u>\$4,966,647</u>
Less: Estimated disbursements - 1983-85 biennium:		
Veterans' Home	\$1,022,868 <u>2/</u>	
Veterans' affairs	<u>319,045</u>	<u>1,341,913</u>
Estimated trust fund balance - June 30, 1985		<u>\$3,624,734</u>
Estimated earnings - 1985-87 biennium	\$ 595,000	\$ 595,000
Total		<u>\$4,219,734</u>
Less: Estimated disbursements - 1985-87 biennium:		
Veterans' Home	\$ 275,485	
Veterans' affairs	<u>361,768</u>	<u>637,253</u>
Estimated trust fund balance - June 30, 1987		<u>\$3,582,481</u>

1/ The investment fund balance for January 14, 1983, was \$3.9 million.

2/ The 1983-85 Veterans' Home appropriation provides for \$1.1 million to be transferred from the veterans' postwar trust fund. The amount included in 1983-85 disbursements reflects an estimated turnback of \$77,132.

Section 6 of 1981 Senate Bill No. 2271:

SECTION 6. TRANSFER OF VIETNAM BONUS FUNDS TO VETERANS' POSTWAR TRUST FUND. All unobligated moneys in the Vietnam veterans' adjusted compensation funds in the state treasury after July 1, 1981, shall be transferred by the state treasurer to the veterans' postwar trust fund. Any obligations of such funds as a result of any amendment of section 37-25-10 by the forty-seventh legislative assembly shall be paid out of the veterans' postwar trust fund and the moneys necessary to meet those obligations are hereby appropriated.

- 1/ The general fund transfer is to replace funds which were not spent by the Adjutant General for capital improvements during the 1981-83 biennium.
- 2/ The amount appropriated for the Adjutant General's capital improvements was \$476,000; and \$190,000 of the \$476,000 will be transferred to the Adjutant General.
- 3/ North Dakota Century Code Section 54-17.1-08 requires that upon retirement of all bonds and payments of interest, any remaining balance in the Vietnam bond sinking fund is to be transferred by the State Treasurer to the general fund.
- 4/ The executive budget estimates the Vietnam bond sinking fund cash balance at November 1, 1986, as \$6,975,692.