

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: House Bill No. 1234 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:

The estimated fiscal impact of Bill No. 1234 will be to reduce state general revenues by approximately \$10,000 during the 1987-89 biennium. The purpose of the bill is to reduce to a justifiable amount the potentially unconstitutional annual license fee of \$500 for a transient merchant's license, which could result in a federal civil rights lawsuit against the state and require payment of the attorney's fees and costs of a plaintiff who successfully contests the constitutionality of the present statutory fee.

In the 1983-85 biennium, transient merchant licenses issued by the Attorney General's Licensing Division at the existing \$25 annual fee resulted in total revenues of \$1,550.

During fiscal year 1985-86, after the fee had been raised twenty-fold to \$500 per year, transient merchant license revenues totalled \$7,000. Total 1985-87 biennium revenues of \$14,000 are anticipated.

The Attorney General's proposed budget for the 1987-89 biennium estimates total transient merchant license fee income of \$15,000 based upon the present \$500 license fee.

If Bill No. 1234 is enacted lowering the fee to \$100 per year, it is anticipated that the number of licenses issued would increase to twenty-five per year and fifty for the biennium for total revenues of \$5,000 for the 1987-89 biennium.

State Fiscal Effect:

<u>1987-88</u>		<u>1988-89</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>
Revenue	(\$5,000)		(\$5,000)		(\$10,000)

County and City Fiscal Effect:

<u>1987-88</u>		<u>1988-89</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 *Scott J. Schneider*

Typed Name Scott Schneider

Date Prepared: January 9, 1987

Department Attorney General