(Return in triplicate)   FISCAL NOTE

Bill/Resolution No.: House Bill No. 1236   Amendment to: _____

Requested by: Legislative Council   Date of Receipt: January 6, 1987

Please estimate the fiscal impact of the above measure for:

[X] State general or special funds   [ ] Counties   [ ] Cities

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

Narrative:

The investment expenses of the State Investment Board are paid by the funds directly from the funds. The expenses are prorated and based on the amount of assets and fees charged by the investment manager. The total cost can not be accurately estimated because of unknown income, market values, or fees charged by investment managers that will be retained over the next two years.

Administrative costs to date have been absorbed by the Governor's office, State Treasurer's office, Bank of North Dakota, and the individual funds. Because of the amount of money under management, it is now necessary for the State Investment Board to establish a staff compliment to assist in the administration of the board. At this time, the total staff and administrative needs are not known. The following minimum biennial budget has been developed for an administrative office comprising of one professional and one clerical position.

(Continued on attached sheet)

State Fiscal Effect:

1987-88		1988-89		Biennium Total	
Special Funds	General Fund	Special Funds	General Fund	Special Funds	General Fund
$198,700		$157,500		$356,200	

County and City Fiscal Effect:

1987-88		1988-89		Biennium Total	
Counties	Cities	Counties	Cities	Counties	Cities

If additional space is needed, attach a supplemental sheet.

Signed _~~Ruth Meier~~_____

Typed Name _____

Date Prepared: January 12, 1987   Department _____

Salary and Wages	$165,000
Operating Expenses	130,000
Equipment	16,200
Data Processing	20,000
Contingency Fund	25,000
	$356,200

The above administrative expenses would be paid from the State Investment Board fund as described in Section 4 for the next biennium and Section 5 beginning with the 1989-91 biennium.