

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: House Bill No. 1247 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 exact fiscal impact of this bill cannot be estimated at this time.

However, the following general statements can be made:

Section 1 of the bill, relating to the lowering of the holding period of various bank deposits, should have the indirect effect of increasing income distributions from the abandoned property fund to the common schools. A very rough estimate would be that the trust fund would increase by \$100,000 to \$500,000 as the result of this change, with the income earned on these additional funds being distributed yearly to the school districts.

Sections 2 and 3 of the bill, relating to the lowering of the aggregate amount, will result in a slight increase in the advertising and other administrative costs to the Department. However, these changes will result in more funds being returned to the rightful owner.

Section 4 of the bill, relating to the liability of the administrator, will have no direct fiscal impact. It will, however, limit the possibilities for costly litigation and payment of damages out of the fund. The new subsection 4 of section 47-30.1-22, created by section 5 of the bill will have the same effect.

The balance of section 5 of the bill, relating to the sale of certain property presumed abandoned, will result in a slight increase in the income distributed to the common schools.

Section 6 of the bill, providing that the costs and expenses of the administrator will be paid directly out of the abandoned property fund (rather than out of the lands maintenance fund) may result in a very slight decrease in the income distributions from the common schools trust fund, with a comparable increase in the distributions from the university

(see attached page)

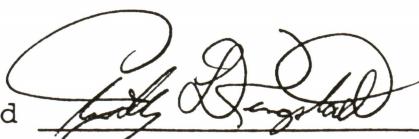
State Fiscal Effect:

| <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> |

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 

Typed Name Timothy L. Kingstad

Date Prepared: January 12, 1987

Department State Land Department

and institutional trust funds.

Section 7 of the bill will prevent unreasonable expenses to the fund.

Section 8 of the bill will have no fiscal impact.