

JAN 27 1987

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: House Bill No. 1440 Amendment to: _____

Requested by: Legislative Council Date of Receipt: January 20, 1987

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: HB1440 would create a system to license boiler operators to be administered by the North Dakota Workmen's Compensation Bureau. As written, the bill requires that any revenue generated from license fees would go to the State General Fund, rather than to the Workmen's Compensation Fund. This means that the Bureau would lose \$150,000 during the first biennium of the program's operation, and an estimated \$200,000 per biennium thereafter. The employers of North Dakota, through their premium payments, would end up paying for this specific program.

If the revenue generated from license fees would be directed to the Workmen's Compensation Fund, as are other boiler licensing fees currently, then, after the first year's operation, it is estimated that the license fee cost of \$25.00 per license will offset the expenses of the program.

However, the Bureau anticipates that an additional \$50,000 in one-time start up costs would be necessary in order to avoid the impact on the employers' Fund at the Bureau.

The Bureau's boiler inspector estimates that 4,000 operators would eventually procure licenses at \$25.00 per license, thus generating \$100,000 in potential annual income. Expenses of administering this program would include another boiler inspector as a minimum. A half-time secretary would also be needed. Estimated expenses to the Bureau would be as follows:

(CONTINUED ON ATTACHED SHEET)

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> |
| (license fees) | \$50,000 | | \$100,000 | | \$150,000 |
| (one-time start up cost) | \$50,000 | | | | 50,000 |
| | | | | | Total \$200,000 |

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 Katherine Satrom

Typed Name Katherine Satrom, Chairman

Date Prepared: January 27, 1987

Department ND Workmen's Compensation Bureau

Fiscal Note

HBl440 REVISED

| | |
|------------------------------------|--------------|
| One additional inspector | \$ 30,000 |
| One half-time secretarial position | 10,000 |
| Printing | 10,000 |
| Postage | 3,000 |
| Equipment | 20,000 |
| Computer | 20,000 |
| Miscellaneous | <u>7,000</u> |
| | \$100,000 |

If revenue from license fees goes into the General Fund, rather than the Workmen's Compensation Fund, then the cost of the program would have to be appropriated from the General Fund.