

(Return in triplicate)

FISCAL NOTE

JAN 30 1987

Bill/Resolution No.: House Bill No. 1584 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:

Because of the many uncertainties and variables involved in the bond program which this Act would establish, it is difficult to estimate its fiscal effect at this time. Costs of issuance in excess of two percent of the amount of a tax-exempt bond issue may not be recovered from bond proceeds; it is very likely that the costs associated with a bond issue under this Act would exceed two percent of the amount of the bond issue. These costs would include the cost of marketing this program statewide (travel, meetings, promotional information, etc.), legal fees of bond counsel and counsel to the Industrial Commission, staff time at the Bank of North Dakota and the Department of Agriculture, as well as the Industrial Commission, the underwriter's fee, printing costs (preliminary official statement, official statement, and bonds), the cost of any necessary credit enhancement (letter of credit, bond insurance, rating agency fees, and other miscellaneous costs.

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 Tom Tudor

Typed Name Thomas B. Tudor

Date Prepared: 1/30/87

Department Legal Department