

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: HB 1118 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:

These benefits are paid out of the Old Age Survivor's Fund, which is maintained by a tax paid by state and local government employers. The one percent tax on the first \$4,800 of each employee's wages triggers "on" for a calendar year when the balance is less than one and one-half times the previous year's payments. That tax has trigger "on" for 1989 under existing law. This bill will increase the payments from the fund and reduce the taxes due the fund from state and local governmental employers by limiting the tax to wages paid only through June 30, 1989.

State Fiscal Effect:

<u>1989-90</u>		<u>1990-91</u>		<u>Biennium Total</u>	
<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>
(\$288,000)	\$12,540		\$19,080	(\$288,000)	\$31,620

County and City Fiscal Effect:

<u>1989-90</u>		<u>1990-91</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
(\$60,000)	(\$52,000)			(\$60,000)	(\$52,000)

If additional space is needed, attach a supplemental sheet.

Signed Wayne Kindem

Typed Name Wayne Kindem

Date Prepared: January 6, 1989

Department Job Service North Dakota