

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: SB 2089 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 fund that would be created by the proposed legislation is a self-generating fund, and would therefore have no fiscal impact on the General Fund or special funds. Also, there would be no fiscal impact on counties or cities.

Subdivision d of subsection .1 of Section 38-08-04 allows the Commission to accept cash or governmental securities deposited in the Bank of North Dakota in lieu of a surety bond. Moneys in the Cash Bond Fund would be generated from an administrative fee equal to 1% per year of the amount deposited. Moneys in the fund will be invested by the Bank of North Dakota, and investment earnings will also be deposited in the fund.

Moneys in the Cash Bond Fund will be used only in emergency situations where the prompt plugging of an oil or gas well is required, and to perform necessary reclamation of oil and gas well sites.

The anticipated reserves generated for the fund during the next biennium are impossible to predict. Current bond deposits would probably generate about \$21,000 plus interest.

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>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

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>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

If additional space is needed, attach a supplemental sheet.

Signed Wesley D. Norton

Typed Name Wesley D. Norton

Date Prepared: 1/27/89

Department Oil and Gas