

(Return in triplicate)

FISCAL NOTE

Bill/Resolution No.: SB 2478 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:

See attachment


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>
	\$86,100		\$86,100		\$172,200

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>

If additional space is needed, attach a supplemental sheet.

Signed 

Typed Name Jeff Weispfenning

Date Prepared: 1-31-89

Department Agriculture

January 30, 1989

It appears, from my reading of SB 2478, that the farm credit counseling program would be required to assign a counselor to assist debtors in preparing financial and other information prior to an initial mediation meeting (page 3, lines 26 through page 4, line 2).

It appears that we would also need to assign a counselor to appear at the initial mediation meeting with the debtor, and possibly at subsequent meetings if they were held.

It is not clear to me whether the full cost of mediation would be defined to include costs associated with providing credit counselors (page 6, lines 18-19), but I am assuming they would not.

The projected costs to FCC could be estimated as follows:

Preparatory meeting ...	8 hrs (incl travel time) @ \$11.50	=	\$ 92.00
	100 miles travel @ .20/mile	=	20.00
			<u>\$112.00</u>
Mediation meeting ...	6 hrs (incl travel time) @ \$11.50	=	69.00
	100 miles travel @ .20/mile	=	20.00
			<u>\$ 89.00</u>
Followup mediation meetings ...		=	\$ 45.00
			<u>Total per case ..... \$246.00</u>

In a highly speculative estimate of the fiscal impact of HB 1444, I estimated that perhaps 500 cases may go to formal mediation. Since SB 2478 appears to require mediation in more cases than would HB 1444, one could assume that 600-800 cases may be involved.

The fiscal impact could then be estimated at \$172,200 per year (700 cases @ \$246/case), 50% of which should be eligible to be matched by federal grant dollars.

If this bill is passed, it seems likely that the CRB/Farm Credit Counseling program would need to be re-certified for federal matching funds. The outcome of such re-certification process is impossible to predict.