

(Return in triplicate) FISCAL NOTE

Bill/Resolution No.: HB 1205 Amendment to: _____

Requested by Legislative Council Date of Request: 1-3-91

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: In 1990, there were 689 wage claims filed with the North Dakota Department of Labor. Of those claims, 320 (or 46%) were of a value of \$500.00 or less. It is estimated that approximately 33 1/3 of all wage claims involve prosecution and collection by the Office of Attorney General. Each case filed by the Office of Attorney General involves an expenditure of \$30-50 for court costs, etc. to obtain a judgment and initiate proceedings to collect it. If each claim having a value of \$500.00 or less was forwarded to the respective county small claims court, it would save the state of North Dakota \$3,000-5,000 per year in court costs. A realistic figure for savings of costs and fees would be \$2,000-3,000 per year, or \$4,000-6,000 per biennium.

The average amount of time that an assistant attorney general would spend on a contested wage claim would be approximately 4-5 hours. This time is not billed separately to the Labor Department, as it is a general fund agency. With a reduced number of claims to handle, the number of attorney hours saved would approximate 400-500 man-hours per year or \$13,000-16,000 of billable time that could feasibly be spent on other matters that could be billed for other work by the Office of Attorney General.

State Fiscal Effect:

<u>1991-92</u>		<u>1992-93</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>
\$16,000		\$16,000		\$32,000	

County and City Fiscal Effect:

<u>1991-92</u>		<u>1992-93</u>		<u>Biennium Total</u>	
<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
	\$0		\$0		\$0

If additional space is needed, attach a supplemental sheet.

Signed Kathy Roll

Typed Name Kathy Roll

Department Financial Administrator

Phone Number 224-2210

Date Prepared: 1/7/91