

.(Return in triplicate) FISCAL NOTE

Bill/Resolution No.: SB 2364 Amendment to: _____

Requested by Legislative Council Date of Request: 1-21-91

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:

SEE ATTACHED NARRATIVE!

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>
-0-	\$40,500	-0-	\$40,500	-0-	\$81,000

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>

Cannot be determined

If additional space is needed, attach a supplemental sheet.

Signed 
Typed Name Joseph S. Lamb

Date Prepared: January 29, 1991

Department Bank of North Dakota

Phone Number 224-5690

NARRATIVE

The fiscal impact will be \$81,000 for the biennium. The Bank of North Dakota will be required to add an additional one and one half employees to cover this work. Therefore, the Bank's annual appropriation will need to be increased by 1.5 FTEs and \$81,000. The annual cost is based on \$27,000 per employee, which includes all benefits.

$$(\$27,000 \times 1.5 \text{ FTE} = \$40,500 \times 2 \text{ years} = \$81,000)$$

This cost is based on three major assumptions:

1. The transfer of the administration of the Bond Bank to the Bank of North Dakota will not eliminate any of the statutory provisions concerning the generation of revenues or the payment of expenses. If these statutory provisions are eliminated, then the Bank of North Dakota's fiscal impact will be significantly higher. There will be an additional impact for management and administration fees, audit fees, trust fees, bond registration and transfer fees, paying agent fees, letter of credit fees, rebate calculations, data processing costs and legal expenses.
2. The fiscal impact is based only on the Bank of North Dakota functioning in an administrative capacity for the current Bond Bank issues. It does not include the addition of any new bond issues or any other work that the Bond Bank performs.
3. The Bank of North Dakota does not know the full extent of the cash flows or expenses covered by the Bond Bank under the various issues. This may increase the fiscal impact depending upon the volume of activity.

The Bank of North Dakota is not in a position to assess the fiscal impact to the cities and counties of the state.