

FISCAL NOTE

JAN 02 1997

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Bill/Resolution No.: SB 2084 Amendment to: _____

Requested by Legislative Council Date of Request: 12-26-96

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

(Please see attached narrative.)

2. State fiscal effect in dollar amounts:

| | <u>1995-97</u> <u>Biennium</u> | | <u>1997-99</u> <u>Biennium</u> | | <u>1999-2001</u> <u>Biennium</u> | |
|---------------|-----------------------------------|--------------------------------|-----------------------------------|--------------------------------|-------------------------------------|--------------------------------|
| | <u>General</u> <u>Fund</u> | <u>Special</u> <u>Funds</u> | <u>General</u> <u>Fund</u> | <u>Special</u> <u>Funds</u> | <u>General</u> <u>Fund</u> | <u>Special</u> <u>Funds</u> |
| Revenues: | 0 | 0 | 0 | 0 | 0 | 0 |
| Expenditures: | 0 | 0 | 0 | 0 | 0 | 0 |

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1995-97 biennium: Not applicable
- b. For the 1997-99 biennium: Not applicable
- c. For the 1999-2001 biennium: Not applicable

4. County, City, and School District fiscal effect in dollar amounts:

| <u>1995-97</u> <u>Biennium</u> | | | <u>1997-99</u> <u>Biennium</u> | | | <u>1999-2001</u> <u>Biennium</u> | | |
|-----------------------------------|---------------|-----------------------------------|-----------------------------------|---------------|-----------------------------------|-------------------------------------|---------------|-----------------------------------|
| <u>Counties</u> | <u>Cities</u> | <u>School</u> <u>Districts</u> | <u>Counties</u> | <u>Cities</u> | <u>School</u> <u>Districts</u> | <u>Counties</u> | <u>Cities</u> | <u>School</u> <u>Districts</u> |

If additional space is needed, attach a supplemental sheet.

Date Prepared: 12/31/96

Signed *Allen C. Hoberg*
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Addendum to Fiscal Note for Bill No. SB2084:

OAH has maintained a special fund as part of its operating fund since its inception on July 1, 1991. In OAH's most recent audit conducted by the Office of the State Auditor for the biennium ended June 30, 1995, received by OAH on March 28, 1996, the state auditor found no instances of noncompliance with laws, regulations, contracts, and grants, but earlier informally recommended to OAH that "section 54-57-07. . . be clarified to ensure readers can distinguish between the two fund [sic] authorized by this section." (January 4, 1996, letter).

Actually, at the recommendation of OMB, OAH has never maintained two special funds, only one, Fund 266. All special fund payments made and received have been out of that fund. Amounts of special funds remaining at the end of each biennium (from late billings paid by agencies to OAH for hearing services already provided in the previous biennium) have been carried over into Fund 266 for the next biennium. (This happened in 1993 and 1995, and, it is anticipated, will happen in 1997.)

The existing language of N.D.C.C. § 54-57-07(3) seems to indicate that there should be two separate special funds in OAH's operating fund, one for normal operations under N.D.C.C. § 54-57-07 (1) and one just for temporary ALJs and to make payments for expenses under N.D.C.C. § 54-57-07(3)(a), (b). But, this has never been the case. OMB wants all the operations of OAH for any special fund purpose under one fund, Fund 266, and this is to be all part of OAH's operating fund, which also contains appropriated general fund dollars. This has been the way OAH has been operated from the beginning.

These amendments to N.D.C.C. § 54-57-07 just clarify that there really is only one special fund that is a part of OAH's operating fund for all of its operations. The special fund established under subsection 3 is the special fund portion of OAH's operating fund established in subsection 1. This special fund has been and is a standing and continuing appropriation for the purposes listed in subsection 3 (a) and (b), now, as amended.

There is not intended to be and is not any real fiscal impact from this bill because OAH has already been operating under one special fund making and receiving special fund payments into this fund throughout each biennium since its inception, and it will continue to do so in the future.

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