

FISCAL NOTE

Bill/Resolution No.: 1346 Amendment to: _____

Requested by Legislative Council

Date of Request: 1-14-99

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

Narrative: This bill mandates mediation in all divorces, unless waived by the court for one of the reasons specified in the bill. Each party is required to pay a \$50 mediation fee at the time of filing. In 1998, 2296 divorce cases were filed in North Dakota. Our best estimate is that 40% of these cases would meet the waiver criteria in the bill and mediation would be waived by the court. The remaining 1378 cases would require mediation. The average qualified mediator charges \$100 per hour. Divorce mediation takes approximately seven hours per case or \$700. 1378 cases at \$700 per case would cost \$964,600 each year. (\$1,929,200 per biennium). If the mediation were to be accomplished by trained state employees, the cost would be as follows. One mediator can handle 225 cases per year. Seven mediation trained employees would be required. The cost per mediator is \$62,650 for salary, fringe benefits, employer overhead, office space, operating and equipment expenses. Seven employees times \$62,500 is \$438,550 per year. The biennium cost is \$877,100 using state employees. Concerning revenue, it is assumed the \$50 mediation fee would be waived in 20% of the cases. The mediation fee would be collected in 1836 cases. The \$50 mediation fee (\$100 per case) would generate \$183,600 per year or \$367,200 per biennium assuming the bill is interpreted to require all divorce parties to pay the fee. If refunds are given to those not requiring mediation, the bill would generate \$110,200 or \$220,400 per biennium. Although the cost for both contract mediators and state employee mediators are reflected above, the amounts shown below are for contract mediators because this is the best way to start the program if it is implemented.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	0	0	\$220,400		\$220,400	
Expenditures:	0	0	\$1,929,200		\$1,929,200	

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

- a. For rest of 1997-99 biennium: 0
- b. For the 1999-2001 biennium: \$1,929,200
- c. For the 2001-2003 biennium: \$1,929,200

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

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
0	0	0	0	0	0	0	0	0

If additional space is needed, attach a supplemental sheet.

Signed Keith E. Nelson

Typed Name Keith E. Nelson

Department Judicial Branch

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