

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1493 Amendment to: _____

Requested by Legislative Council Date of Request: 1-20-99

- 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:

See attached

- 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:

Expenditures: (81,655) (115,403) (101,135) (213,697)

- 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: _____
b. For the 1999-2001 biennium: _____
c. For the 2001-03 biennium: _____

- 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

If additional space is needed, attach a supplemental sheet.

Signed Dave Krabbenhoft

Typed Name Dave Krabbenhoft

Department OMB

Phone Number 328.1024

Date Prepared: 1-25-99

Narrative – HB 1493

To prepare an accurate fiscal note, a thorough study of the effects of combining the three agencies would have to be conducted. Due to time constraints, a thorough study is not possible. Therefore, this fiscal note is based on the following assumptions:

1. The merger of the Department of Banking and Financial Institutions, and the Office of the Securities Commissioner would be effective 7/1/1999. The merger of the Office of the Insurance Commissioner, which is contingent on the approval of the voters, would be effective 1/1/2001.
2. The salaries for the positions of the securities commissioner, and the commissioner of banking and financial institutions would be deleted as of 7/1/1999. The salary for the insurance commissioner would be deleted as of 1/1/2001.
3. A salary for the new commerce commissioner would be added effective 7/1/1999. The position would be salaried at \$62,400 per year (estimated biennial salary and fringe - \$154,500). For the purposes of this fiscal note, the commerce commissioner position is funded with 50% general funds and 50% special funds for the period 7/1/1999 to 12/31/2000 (Banking and Finance is funded with 100% special funds, Securities Commission is funded with 100% general funds). Effective 1/1/2001, the position is funded with 67% special funds and 33% general funds (Insurance Commissioner is funded with 100% special funds).
4. Whether the agencies would be co-located or would continue to be located separately is not addressed in the bill, therefore, those effects are not addressed in this fiscal note and are unknown.
5. Salaries have not been deleted for deputies, but assumes those positions would become a division director or the equivalent.
6. Dependent on the results of the merger study, other costs and positions could possibly be eliminated. However, due to time constraints, specifically identifying such costs and positions would be highly speculative. Therefore, those effects are not addressed in this fiscal note and are unknown at this time.