MINNESOTA

LEGISLATIVE RESEARCH COMMITTEE

DEPARTMENT OF RURAL CREDIT

Publication No. 71

February 1956

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The Legislative Research Committee is a joint committee of the legislature, meeting quarterly at the State Capitol and giving advance consideration to problems expected to confront the next legislature.

The Committee (1) acts as a clearing house for current legislative problems by receiving proposals for research studies; (2) determines and directs the study and research necessary for proper consideration of all proposals; (3) disseminates advance information on these problems to other legislators, the governor and the public by means of committee and research reports; and (4) reports to the legislature one month in advance of the regular session.

The Research Department of the Legislative Research Committee is organized to provide an unbiased, factual source of information with regard to problems which may be acted upon by the legislature. This department is engaged in objective fact finding under the general supervision of members of the Committee

M I N N E S O T A

LEGISLATIVE RESEARCH COMMITTEE

DEPARTMENT OF RURAL CREDIT

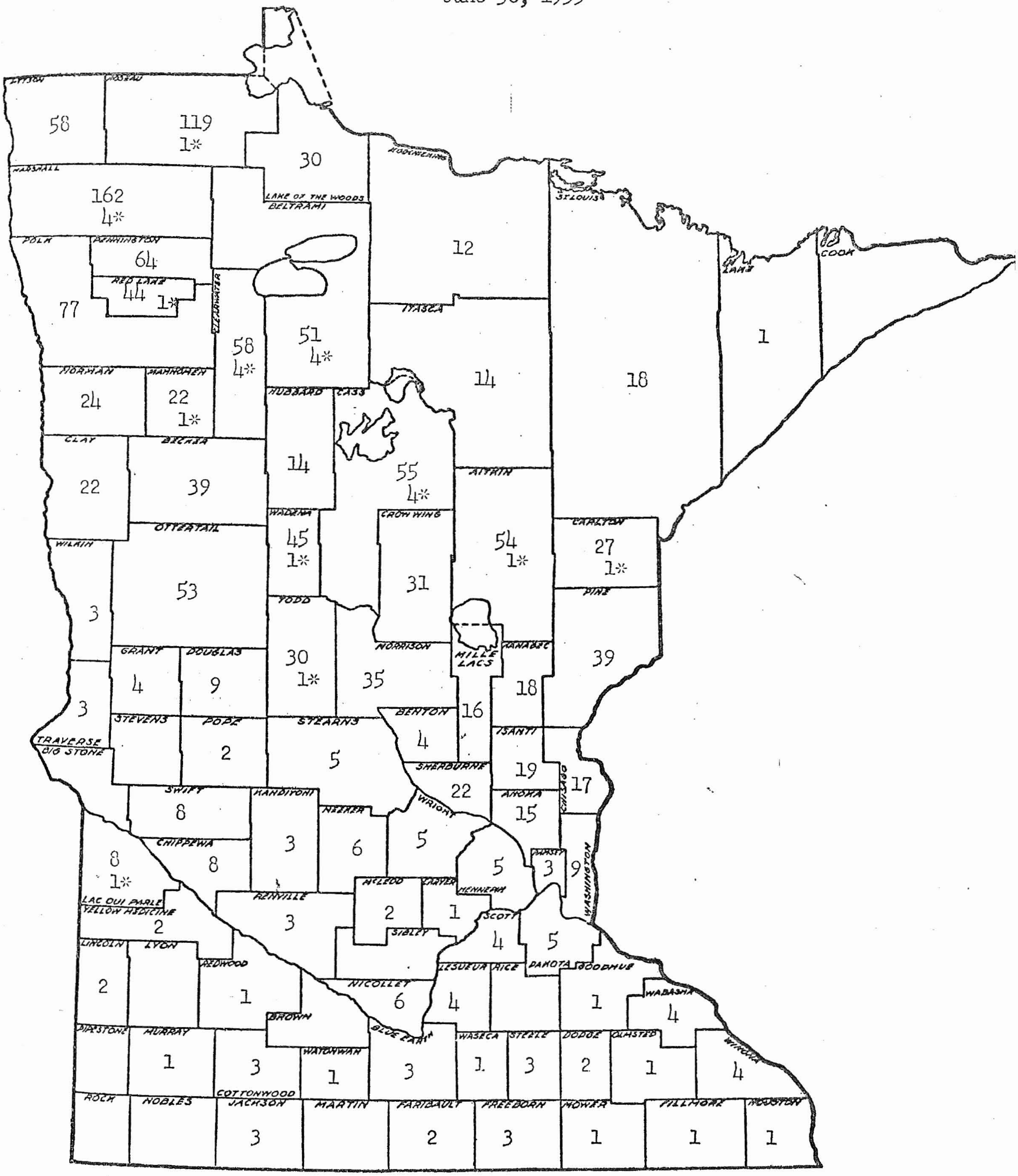
Research Report issued pursuant to Proposal No. 88

A PROPOSAL that the Legislative Research Committee study all matters and operation of the Department of Rural Credit.

Publication No. 71 February, 1956

DEPARTMENT OF RURAL CREDIT

Number of Outstanding Loans and Real Estate Units,
by County
June 30, 1955



* Indicates Real Estate Units

Source: Department Report

HISTORICAL PERSPECTIVE

A Constitutional Amendment ratified at the election of November 7, 1922, made it possible for the state to "loan money and extend credit to the people of the state upon real estate security".[1] The 1923 Legislature established the Minnesota Rural Credit Bureau to carry out the intent of this amendment. This, and subsequent Legislatures, authorized the Bureau to issue bonds up to $70,000,000 to finance its activities.

The venture proved to be a financial failure, and the 1933 Legislature, facing a situation where obligations of the Rural Credit Bureau far exceeded its assets, abolished the Bureau and established the Department of Rural Credit which, in effect, was a liquidating agency as it was directed to sell all property acquired. Economic conditions made it impossible to carry out this legislative mandate. In fact more farms were acquired by deed or foreclosure after this date than prior thereto. To accelerate the liquidation of state farm holdings, the 1939 and 1941 Legislatures authorized the Department to engage the services of brokers and agents to aid in farm sales. This authorization, along with better economic conditions, made it possible for the Department to sell, for all practical purposes, all farms held by them. The 1941 Legislature, recognizing an approximate loss to the state of $40,000,000 from this venture, directed the State Auditor to levy a tax on all property to produce $1,500,000 per year for the years 1943 through 1966 inclusive.[2]

DEFICIENCY BONDS

The 1941 law allowed the issuance of bonds in the principal amount of $32,400,000 of which the Auditor issued $29,775,000.[3] The 1953 Legislature authorized issuance of $5,000,000 supplemental deficiency Certificates of Indebtedness in order to refinance the high interest rate bonds (.0425 to .0475) issued under the original law. The Auditor has issued the total amount of the 1953 authority.

As of July 2, 1955, $20,100,000 of Rural Credit Deficiency Certificates of Indebtedness were outstanding (See Table I). It will not be necessary to issue additional certificates because any future losses on the outstanding accounts and real estate can be paid from the principal received on outstanding loans.

1/ Constitutional Amendment Section 10 - Article IX.

2/ From 1943 report of Minnesota House of Representatives - Committee on State Administration and Employment. p. 24

3/ The Balance of $2,625,000 was not issued because the 1953 authorization carried an earlier maturity date.

Principal payments and interest earned in excess of expenses must be used to pay certificates issued under M.S. 1953, Sec. 41.44 and thereby reduce the mill levy.

DUPLICATE RECORDS

The Conservator of Rural Credit draws the warrants and prepares the abstracts for payment of the mature bonds and interest. Because of this, the department must maintain a complete record of the certificates, issue and maturity dates, interest rates, and principal and interest payments. They also keep a record of mill levy receipts as obtained from the State Auditor. The Auditor also maintains a complete record of the bonds issued, including the amounts of principal and interest due on each maturity date. Since the Auditor is required to keep his record for purposes of setting the mill levy, it would appear that the law should be changed to assign the responsibility for paying the bond principal and interest to the Auditor. In all other instances where bonds are retired from mill levy receipts the Auditor draws the warrants and prepares the abstracts.

TYPES OF LOANS

The department holds three types of loan security - first mortgages, purchase price mortgages, and contracts for deed. With but a few exceptions, all of the loans are repaid by semi-annual installments, with the final installment on the last loan due in 1971 or 1972. The interest rate on all loans is 4%.

The work of the department is more involved than just collecting the semi-annual installments. They maintain tax records on individual parcels of property on which loans have been made and when taxes are not paid the department must protect the State's equity and bill the borrower until they are paid. Insurance records must also be maintained. When a borrower fails to renew his insurance, the department pays the premium and bills the borrower for the premium plus interest at 5%. The collection problem is also difficult because many of the loans are on sub-marginal farms. This results in a comparatively high percentage of delinquencies of principal and/or taxes, insurance, and interest.

NUMBER OF ACCOUNTS

Some of the department's work load is due to a cumbersome bookkeeping system which could be modernized. However, on July 1, 1955, they had only 1455 active loans which average less than three transactions per year. Since a change in system would involve the purchase of a modern bookkeeping machine, such a change would not be economical at this late date.

The department does not have an amortization schedule for each mortgage or contract and therefore they have no means of determining the number of loans which will mature in a particular year. Following conferences, the department agreed to complete such a schedule and this information will be available before the 1957 Legislative Session. A record of the number of accounts prepaid is maintained, which together with the amortization schedule will allow a fairly accurate estimate of the number of accounts and amounts to be closed out in the coming years.

Because the necessary information was not available the estimates in Table II were based on the percentage of loans retired to total loans, as shown by past experience. The table shows the number of outstanding accounts and real estate units has decreased from 3464 in 1948 to 1481 in 1955. If the number of loans closed out each year would continue as in the past seven years, liquidation could be conpleted in 1961. However, Legislative Research Committee estimates show that the number of completed loans will decline in each succeeding year, and there will be 753 loans outstanding on June 30, 1959.

MEASUREMENT OF WORK LOAD AND NUMBER OF EMPLOYEES

The work load of the department can be measured in terms of the number of active accounts on an average per employee, since all accounts are handled in much the same manner. Therefore, as the number of accounts decreased it has been possible to reduce the number of employees. Table II shows that the complement has been reduced from 16.4 in 1948 to 4.7 in the 1956-57 biennium. The number of accounts per employee has increased from 257 on July 1, 1949, to 314 at the beginning of fiscal 1956. It appears that the 4.7 employees allowed by the 1955 Legislature are more than adequate for the existing volume of work. Further reductions in personnel should be required as the number of accounts decrease. One such reduction could be made in the immediate future by eliminating a part time supervisory position. The person occuping this position contemplates retirement and when this occurs the position should not be filled since it is no longer necessary to the operation.

Table III shows the actual amortization of mortages and contracts for deed from 1948 through 1955 and the estimated amortization for 1956 through 1959. The total amount of loans and real estate outstanding has decreased from $5,407,014 on June 30, 1948, to $1,315,275 on June 30, 1955. In this same period the average amount of the outstanding loans has decreased from $1,560 to $888. This indicates that satisfactory progress has been made in the liquidation program in this period. However, it can also be seen that the amount of the annual decrease in principal is steadily declining. It dropped from $926,773 in 1949 to $402,515 in 1955. This means that the amortization of the $1,315,275 remaining on June 30, 1955, will be at a slower rate. As the principal of individual loans decreases there may be a possibility that more borrowers will repay their loans and thereby speed up the liquidation process.

As previously mentioned, it was not possible to obtain an accurate estimate of the annual amortization of the remaining principal. Therefore, it was necessary to base the estimate on past experience. Table III indicates a trend of an increasing <u>percentage</u> of outstanding principal being amortized each year (although the total collections are smaller). This trend should continue, because with a fixed payment, larger principal payments and smaller interest payments are made as the outstanding principal decreases.

SALE OF MORTGAGES AT DISCOUNT NOT JUSTIFIED

Table IV reveals that department earnings[4] decreased from $258,794 in 1948 to $62,338 in 1955, while expenses dropped from $54,089 to $28,326. This resulted in a decline of excess income over expenses from $204,705 in 1948 to $34,012 in 1955. The interest on Certificates of Indebtedness in an amount equal to the outstanding loans must also be included as an expense, because, if all loans were paid in full the moneys obtained would be used to retire bonds. When this expense is deducted from the excess income it is very apparent that the cost of carrying the loans will soon exceed the interest income. Table IV shows the actual net gain dropped from $79,347 in 1949 to $9,963 in 1955 and that the years 1957 through 1959 will probably result in losses. Since the total of estimated losses for 1957 through 1959 is only 1.7% of the estimated loans outstanding on July 1, 1956, there is little justification for considering the sale of the mortgages and contracts at a discount. Even if you assume that an additional $30,000 will be lost from 1959 until liquidation is completed, the loans could only be sold at a discount of 4.8% on July 1, 1957.

It must be acknowledged that not all operating costs have been included in expenses shown in Table IV since the department does not pay for such things as office rent, lights, and services performed by the Department of Administration and State Treasurer.

It is not likely that the paper can be sold at such a low discount rate because it only carries a 4% interest rate. It, therefore, appears that the State will have to continue operation of the department through 1957 or until such time as the loss on operations will allow the sale of the paper at a more substantial discount.

4/ Interest on investment of idle cash has not been included because this function was transferred to the State Treasurer and the interest is not attributable to the operation of the department. Earnings as used here includes all interest earned on outstanding paper and miscellaneous fees.

CONCLUSIONS

The department should make every effort to liquidate the remaining loans as soon as possible. This can be done by encouraging the borrowers to prepay or refinance their loans. On June 3, 1953, the department suggested, in a circular letter to borrowers in the area serviced by the Thief River Falls Office, that they attempt to refinance their loans through private agencies. Several employees stated that many borrowers responded to the suggestion and paid up their loans. Table II shows that the number of loans paid up increased from 10.6% of the total in 1952 to 12.2% in 1953 and 14.4% in 1954. If such an increase in paid up loans can be attributed to the letter, it might be well to again make this suggestion to all borrowers.

The department should also consider further reductions in personnel and other expenses as the number of accounts decrease. In order to keep the experienced employees in the department until liquidation is completed, and as recognition for faithful service to a liquidating agency, the Civil Service Department should be requested to make every effort to find positions in other departments, when the employees service is no longer required by Rural Credits.

Of the twenty-four farms remaining unsold on June 30, 1955, three were optioned for sale in July and six have appraised values in excess of $3.00 per acre and have a good possibility of being sold. The fifteen farms appraised at from $1.00 to $3.00 per acre will probably remain unsold until the liquidations of the outstanding loans are completed. If this does occur, the lands could then be permanently transferred to the Department of Conservation to be sold by the Division of Lands and Minerals or retained, if suitable, as conservation areas or public shooting grounds.

Immediately prior to the 1957 Legislative Session, when amortization schedules are completed, an estimate should be made of the time and expense required to complete the liquidation of the accounts then remaining. Such an estimate should contain all factors included in Tables II, III and IV. By using the amortization schedule presently being prepared by the department a fairly accurate estimate can then be made. If that estimate also shows sale of the paper at a discount is not the most economical means of liquidating the outstanding loans, then the department should be operated for another biennium.

TABLE I

RURAL CREDIT DEFICIENCY FUND CERTIFICATES OF INDEBTEDNESS OUTSTANDING

AS OF JULY 2, 1955

SERIES "E"

Bond Numbers	Date of Issue	Callable	Maturity	Coupons Rate	Amount
#14176 - 14850	12-1-43	N.C.	12-1-55	1.1%	$675,000.00
14851 - 15525	"	"	6-1-56	1.1%	675,000.00
					$1,350,000.00

SERIES "F"

Bond Numbers	Date of Issue	Callable	Maturity	Coupons Rate	Amount
#15526 - 16200	12-1-43	N.C.	8-1-56	1.4%	$675,000.00
16201 - 16875	"	"	2-1-57	1.4%	675,000.00
16876 - 17550	"	"	8-1-57	1.4%	675,000.00
17551 - 18225	"	"	2-1-58	1.4%	675,000.00
18226 - 18900	"	"	8-1-58	1.4%	675,000.00
18901 - 19575	"	"	2-1-59	1.4%	675,000.00
19576 - 20250	"	"	8-1-59	1.4%	675,000.00
20251 - 20925	"	"	2-1-60	1.4%	675,000.00
20926 - 21600	"	"	8-1-60	1.4%	675,000.00
21601 - 22275	"	"	2-1-61	1.4%	675,000.00
22276 - 22950	"	"	8-1-61	1.4%	675,000.00
22951 - 23625	"	"	2-1-62	1.4%	675,000.00
23626 - 24300	"	"	8-1-62	1.4%	675,000.00
24301 - 24975	"	"	2-1-63	1.4%	675,000.00
					$9,450,000.00

Series "G" have all been paid.

SERIES "H"

Serial Numbers	Date	Interest Rate	Amount
D32401 to D33075 incl.	July 1, 1963	1.60%	$675,000.00
D33076 to D33750 incl.	January 1, 1964	1.60%	675,000.00
D33751 to D34425 incl.	July 1, 1964	1.60%	675,000.00
D34426 to D35100 incl.	January 1, 1965	1.70%	675,000.00
D35101 to D35775 incl.	July 1, 1965	1.70%	675,000.00
D35776 to D36450 incl.	January 1, 1966	1.70%	675,000.00
D36451 to D37125 incl.	July 1, 1966	1.70%	675,000.00
D37126 to D37200 incl.	January 1, 1967	1.70%	75,000.00
			$4,800,000.00

TABLE I (cont.)

State of Minnesota Rural Credit Deficiency
Certificates of Indebtedness 1953, $5,000,000

Serial Numbers	Date	Interest Rate	Amount
501 to 750 incl.	January 1, 1956	2.10%	$250,000.00
751 to 1000 incl.	July 1, 1956	2.10%	250,000.00
1001 to 1250 incl.	January 1, 1957	2.10%	250,000.00
1251 to 1500 incl.	July 1, 1957	2.10%	250,000.00
1501 to 1750 incl.	January 1, 1958	2.10%	250,000.00
1751 to 2000 incl.	July 1, 1958	2.10%	250,000.00
2001 to 2250 incl.	January 1, 1959	2.10%	250,000.00
2251 to 2500 incl.	July 1, 1959	2.10%	250,000.00
2501 to 2750 incl.	January 1, 1960	1.40%	250,000.00
2751 to 3000 incl.	July 1, 1960	1.40%	250,000.00
3001 to 3250 incl.	January 1, 1961	1.40%	250,000.00
3251 to 3500 incl.	July 1, 1961	1.40%	250,000.00
3501 to 3750 incl.	January 1, 1962	1.40%	250,000.00
3751 to 4000 incl.	July 1, 1962	1.40%	250,000.00
4001 to 4250 incl.	January 1, 1963	1.60%	250,000.00
4251 to 4500 incl.	July 1, 1963	1.60%	250,000.00
4501 to 4750 incl.	January 1, 1964	1.60%	250,000.00
4751 to 5000 incl.	July 1, 1964	1.60%	250,000.00
			$4,500,000.00

All of the above certificates are callable at par on any interest date three years after date of issue upon thirty days notice.

Grand total of all issues outstanding - - - - - - - - - - - - - - $20,050,000.00

TABLE II

DEPARTMENT OF RURAL CREDIT

Number of Accounts Outstanding and Number Retired Each Year
Fiscal Years Ending June 30.

	ACTUAL								ESTIMATED			
	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
First Mortgage Loans	947	823	766	718	660	590	520	454	395	340	289	243
Retired during year		124	57	48	58	70	70	66	59	55	51	46
% retired during year		13.1%	6.9%	6.3%	8.1%	10.6%	11.9%	12.7%	13.0%	14.0%	15.0%	16.0%
Purchase Price Mortgages	47	39	25	12	6	2	2	2	1	1	1	1
Retired during year		8	14	13	6	4	-	-	1	-		
Contracts for Deed	2431	2174	1973	1769	1569	1371	1159	999	859	730	613	509
Retired during year		257	201	204	200	198	212	160	140	129	117	104
% retired during year		10.6%	9.2%	10.3%	11.3%	12.6%	15.5%	13.8%	14.0%	15.0%	16.0%	17.0%
Total Mortgages and Contracts	3425	3036	2764	2499	2235	1963	1681	1455	1255	1070	903	753
Retired during year		389	272	265	264	272	282	226	200	185	168	150
% retired during year		11.4%	9.0%	9.6%	10.6%	12.2%	14.4%	13.4%	13.7%	14.7%	15.7%	16.6%
Loans in Foreclosure	-	-	2	-	-	-	3	2	-	-	-	-
Real Estate Units	39	40	41	41	37	35	38	24	21[2]	15[3]	15	15
Total Number of Accounts	3464	3076	2805	2540	2272	1998	1722	1481	1276	1085	918	768
Number of Employees[1]	16.4	13.5	9.6	9.6	8.7	8.5	6.5	6.0	4.7	4.7	3.5	3.0
Average Number Accounts per employee - July 1,		257	320	292	292	267	307	287	315	271	310	306
Delinquent Accounts - June 30,	202	264	357	324	298	240	205	176	152	131	111	93
% of total mortgages and contracts	5.9%	8.7%	12.9%	13.0%	13.3%	12.2%	12.2%	12.1%	12.1%	12.1%	12.1%	12.1%

1. Per first quarter budgets 1948 through 1955,
   Legislative approved roster 1956 and 1957
   Estimated complement 1958 and 1959.
2. Number of units unsold in July 1955.
3. Number of units estimated to be unsuitable for farm purposes -
   may have to be transferred to Conservation Department for wildlife purposes.

Source: Department Reports
Estimates: by Legislative Research Committee

TABLE I (cont.)

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Grand total of all issues outstanding - - - - - - - - - - - - - - $20,050,000.00

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Purchase Price Mortgages	47	39	25	12	6	2	2	2	1	1	1	1
Retired during year		8	14	13	6	4	-	-	1	-		
Contracts for Deed	2431	2174	1973	1769	1569	1371	1159	999	859	730	613	509
Retired during year		257	201	204	200	198	212	160	140	129	117	104
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Total Mortgages and Contracts	3425	3036	2764	2499	2235	1963	1681	1455	1255	1070	903	753
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Real Estate Units	39	40	41	41	37	35	38	24	21[2]	15[3]	15	15
Total Number of Accounts	3464	3076	2805	2540	2272	1998	1722	1481	1276	1085	918	768
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Delinquent Accounts - June 30,	202	264	357	324	298	240	205	176	152	131	111	93
% of total mortgages and contracts	5.9%	8.7%	12.9%	13.0%	13.3%	12.2%	12.2%	12.1%	12.1%	12.1%	12.1%	12.1%

1. Per first quarter budgets 1948 through 1955,
   Legislative approved roster 1956 and 1957
   Estimated complement 1958 and 1959.
2. Number of units unsold in July 1955.
3. Number of units estimated to be unsuitable for farm purposes -
   may have to be transferred to Conservation Department for wildlife purposes.

Source: Department Reports
Estimates: by Legislative Research Committee

TABLE IV

DEPARTMENT OF RURAL CREDIT

Statement of Earnings and Expenses
Fiscal Years Ending June 30

	ACTUAL								ESTIMATED			
	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Loans and Real Estate Outstanding July 1	$7,011,151	$5,407,014	$4,480,240	$3,832,496	$3,250,042	$2,718,606	$2,218,133	$1,717,791	$1,315,275	$979,278	$730,731	$541,556
Department Earnings												
Interest on:												
Mortgage Loans	66,506	52,703	43,558	37,449	32,357	28,359	21,759	18,868				
Purchase Price Mortgages	3,067	2,071	1,492	963	628	249	182	163				
Contracts for Deed	188,064	145,558	120,785	104,637	88,117	73,199	56,140	42,959				
Total Interest Income	$257,638	$200,333	$165,836	$143,050	$121,103	$101,808	$78,082	$61,991				
Other Earnings	1,156	127	117	648	605	340	342	347				
Total Earnings	$258,794	$200,461	$165,953	$143,698	$121,709	$102,148	$78,424	$62,338	$48,665	$36,233	$27,037	$20,037
% of Loans and Real Estate Outstanding July 1	3.7%	3.7%	3.7%	3.74%	3.74%	3.75%	3.53%	3.62%	3.7%	3.7%	3.7%	3.7%
Dollar decrease from previous year	-	58,333	34,508	22,555	21,989	19,561	23,723	16,086	13,673	12,432	9,196	7,000
Department Expenses:												
Salaries	45,837	39,336	33,183	31,679	33,701	33,117	24,513	24,878	19,992	19,992	14,228	12,782
Supplies, Expense and Equipment	8,252	6,079	5,585	5,382	5,282	5,300	3,866	3,447	3,195[1]	3,005[1]	2,750	2,500
Total Expense	54,089	45,416	38,769	37,062	38,984	38,418	28,379	28,326	23,187	22,997	16,978	15,282
Excess Income over Expense	204,705	155,045	127,183	106,636	82,725	63,729	50,045	34,012	25,478	13,236	10,059	7,255
Interest on Callable C.I.'s in amount of loans outstanding July 1		75,698	62,723	53,654	45,500	38,060	31,053	24,049	18,413	20,565	15,345	11,373
Net Gain on Operation of Collection Unit		$79,347	$64,460	$52,982	$37,225	$25,669	$18,992	$9,963	$7,065	$(7,329)	$(5,286)	$(4,118)

1. Estimate is based on actual appropriation less $2,125 in 1956 and $1,975 in 1957 for expense of paying bond interest coupons.

2. Computed at maximum rate on callable C.I.'s - 1.4% from 1948 thru 1956 and 2.1% from 1957 thru 1959.

Source: Public Examiners Report 1948-1951, Department Reports 1952-1955
Estimates for 1956-59 by Legislative Research Committee.

TABLE III

DEPARTMENT OF RURAL CREDIT

Principal Outstanding and Payments Received
Fiscal Years Ending June 30

	ACTUAL								ESTIMATED			
	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
First Mortgage Loans	$1,391,717	$1,136,648	$982,623	$858,879	$731,109	$588,914	$474,452	$372,646	$288,801	$220,933	$165,700	$120,961
Principal payments rec'd.		255,069	154,024	123,743	127,770	142,194	114,462	101,806	83,845	67,868	55,233	44,739
% of July 1 balance		18.3%	13.6%	12.6%	14.9%	19.4%	19.4%	21.5%	22.5%	23.5%	25.0%	27.0%
Purchase Price Mortgages	55,120	41,689	25,967	16,662	7,222	4,679	4,207	3,715	3,193	2,711	2,209	1,688
Principal payments rec'd.		13,430	15,722	9,304	9,439	2,543	472	491	522	481	501	521
% of July 1 balance		24.4%	37.7%	35.8%	56.6%	54.3%	11.2%	13.2%	14.1%	15.1%	18.5%	23.6%
Contracts for Deed	3,874,606	3,217,537	2,732,796	2,288,520	1,901,881	1,549,054	1,152,565	885,769	672,299	503,552	370,111	266,480
Principal payments rec'd.		657,069	484,740	444,275	386,639	352,826	396,489	266,796	213,470	168,747	133,441	103,631
% of July 1 balance		17.0%	15.1%	16.3%	16.9%	18.6%	25.6%	23.1%	24.1%	25.1%	26.5%	28.0%
Real Estate Units	85,570	84,384	87,197	85,978	78,392	75,484	84,366	50,823	14,984	3,534	3,534	3,534
Amount sold		1,185	(2,813)	1,219	7,586	2,907	(8,881)	33,543	35,839	11,449	-	-
Loans in Foreclosure on June 30	-	(18)	3,911	-	-	-	2,199	2,320	-	-	-	-
Total Loans and Real Estate Outstanding	$5,407,014	4,480,240	3,832,496	3,250,042	2,718,606	2,218,133	1,717,791	1,315,275	979,278	730,731	541,556	392,664
Dollar decrease from previous year		926,773	647,743	582,454	531,436	500,472	500,342	402,515	335,997	248,546	189,175	148,891
% decrease from previous year		17.1%	14.5%	15.2%	16.4%	18.4%	22.6%	23.4%	25.5%	25.4%	25.9%	27.5%
Total Number Loans and Real Estate Units	3,464	3,076	2,805	2,540	2,272	1,998	1,722	1,481	1,276	1,085	918	768
Average Amount	1,560	1,456	1,366	1,279	1,196	1,110	997	888	767	673	589	511

Note: Cents Column dropped

Source: Public Examiners Reports and Department Reports

Estimates by: Legislative Research Committee