

FISCAL NOTE

Requested by Legislative Council
03/28/2007

Amendment to: Engrossed
SB 2178

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				(\$2,000,000)		
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			\$2,000,000					

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Engr. SB 2178 with House Amendments increases the maximum amount of gross production tax revenues counties can receive, provided the county levies a specified number of mills for various road purposes.

The provisions to increase county revenues "sunset" after the 2007-09 biennium.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of the bill increases the county "caps" by \$1 million per year. At current production levels, only one county would be affected, and it would receive an additional \$2 million in the 2007-09 biennium, if it increases its road levies.

Section 2 repeals the existing statute relative to the permanent oil tax trust fund when and if the new section to article X of the Constitution as contained in HCR 3045 is adopted by the legislature and the voters of the state.

Section 3 prohibits the changing of the state general fund's biennial oil tax revenue "cap" thereby allowing the negative fiscal effect of this bill to impact the permanent oil tax trust fund.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Engr. SB 2178 with House Amendments is expected to decrease permanent oil tax trust fund revenues and increase county revenues \$2 million in the 2007-09 biennium.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

continuing appropriation.

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