

**FISCAL NOTE**  
**Requested by Legislative Council**  
12/08/2008

Bill/Resolution No.: SB 2036

**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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**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).*

Section 1 of SB 2036 adds beneficiated coal to the definition of "repowering" for the purpose of coal conversion tax treatment. Section 2 re-defines coal conversion "plants" to "units" for purposes of the coal conversion tax exemption allowed for repowering.

**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 enables beneficiated coal to be used in a repowering project allowing it to be treated the same as coal in its natural state. It is not known if beneficiated coal is expected to be used in any repowering projects in the next biennia. The fiscal impact of this section is unknown.

Section 2 prevents the potential loss of significant coal conversion tax in the possible event of a two-unit plant undertaking a repowering project on just one of its units. Without this language change, the entire plant would be exempt from the state's share of the conversion tax. This section changes the exemption to only the unit that undertakes the repowering project. The potential positive fiscal impact of this section cannot be determined, but is likely zero in 2009-2011 biennium.

**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.*

**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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