

FISCAL NOTE
Requested by Legislative Council
01/20/2009

Bill/Resolution No.: HB 1531

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).*

HB 1531 imposes a 10% surtax on certain electricity transmission into states that impose environmental restrictions which are more stringent than those contained in federal law.

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.*

It is not possible to estimate the fiscal effect of this bill from coal conversion privilege tax reports filed with the tax department by coal-fired generating plants. The current taxing structure does not include the retail price of electricity when it is sold, nor the location of the eventual retail customers, so there is no information upon which to base this fiscal impact.

Making some broad assumptions about the provisions in the bill, including assuming 75% of the 30 billion in KWH produced annually ends up with retail customers in a state imposing overly strict environmental controls, and further assuming the average retail cost is \$.04 per KWH, there would be up to \$90 million in surtax charged, and possibly collected and remitted to the remediation of environmental costs fund each year.

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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