

FISCAL NOTE
Requested by Legislative Council
01/26/2011

Bill/Resolution No.: SB 2348

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				(\$22,480,000)		
Expenditures						
Appropriations						

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

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			\$2,880,000					

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).*

SB 2348 changes the distribution of oil extraction and gross production tax revenues from oil and gas produced within the Fort Berthold Reservation.

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.*

If enacted, SB 2348 is expected to increase tribal revenue allocations by an estimated \$19.6 million in the 2011-13 biennium. This will also reduce permanent oil tax trust fund revenues by \$19.6 million.

Section 1 of the bill also creates a "hold harmless" feature for the counties in which tribal production occurs. Relative to the existing state/tribe distribution, this is expected to increase county revenue by an estimated \$2.88 million in the 2011-13 biennium. This will reduce permanent oil tax trust fund revenue by the same amount.

Combined, the provisions of SB 2348 will reduce permanent oil tax trust fund revenues by an estimated \$22.48 million in the 2011-13 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.*

SB 2348 will require substantial modifications to computer systems within the Office of State Treasurer. The expected costs of system changes are currently not known.

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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