

FISCAL NOTE
Requested by Legislative Council
04/26/2011

Amendment to: Engrossed
HB 1451

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			\$844,112,998	(\$844,112,998)		
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

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).*

Engrossed HB 1451 with Conference Committee Amendments renames the lands and minerals trust fund and repeals the permanent oil tax trust fund. The state's share of oil and gas tax revenues are redirected into various funds.

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, engrossed HB 1451 with Conference Committee Amendments will rename the lands and minerals trust fund the strategic investment and improvements fund and allow \$100 million of biennial oil and gas tax revenues to be deposited in it. If the fund reaches \$300 million, 25% of subsequent monthly transfers will instead be deposited in the legacy fund.

The amount of oil tax revenue that remains in the state general fund is increased from \$71 million to \$200 million, with an additional \$100 million allowed after funding the property tax relief sustainability fund. Combined, this is an increase of \$229 million to the state general fund as shown above.

The bill repeals the permanent oil tax trust fund and transfers any existing fund balance to the state general fund at the close of the current biennium. Estimates show the balance in the permanent oil tax trust fund will be \$615,112,998 at the close of the current biennium. This amount will be transferred to the state general fund, as shown above.

Section 9 identifies new funds into which the state's share of oil and gas taxes will be deposited. Compared to current law distributions, these impact "other funds" and cancel each other out and are therefore, not shown in the revenue boxes above.

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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