

FISCAL NOTE
Requested by Legislative Council
12/19/2012

Bill/Resolution No.: SB 2037

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$396,422,720			
Appropriations			\$403,407,000			

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **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 2037 updates the oil and gas tax revenues that goes into the property tax relief sustainability fund and makes some changes to the mill levy reduction grant program.

- 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 provides for an inflationary increase in oil and gas tax revenues deposited in the property tax relief sustainability fund to \$403,407,000 for the 2013-15 biennium. The bill also provides for excess levy authority to allow school districts to recover lost mill levy authority. For each mill the district levies over 110 mills, the mill levy reduction grant will be increased by 1/2 mill. The combined levies (general fund levy and mill levy reduction grant rate) cannot exceed 185 mills. The projected cost is \$395,622,720 plus the state's cost for the excess levy utilized, which is estimated at \$400,000 annually, or \$800,000 for the 2013-15 biennium. The combined total cost for the biennium is estimated at \$396,422,720.

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.*

Section 4 contains a State General Fund appropriation of \$403,407,000 for the 2013-15 biennium. The Executive Budget contains revenues sufficient to meet the current law level of mill levy reduction grants (MLRG) and funding to expand the MLRG program.

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