

(Please type in triplicate)

FISCAL NOTE

pared in regard to: House Bill No. 1179
(List bill or resolution and number, if available,
or subject)

Amendment to: _____
(List bill or resolution and number)

Requested by: Legislative Council Date of receipt: January 5, 1981

In the following space note the fiscal effect in dollars of the legislative proposal:

Narrative:

The civil penalty that is presently provided in section 38-08-16 has been in effect since 1953. The acceleration of exploration and production activity and cost, and the dramatic increase in the price of crude oil and natural gas have reached the point at which it may be more financially expedient to pay the penalty than to comply with state regulations. The amendment to the section would provide a 25 fold increase in the maximum penalty.

The total penalty which has been collected thus far in the current biennium is thirty-five thousand dollars (\$35,000.). It is not possible to provide specific information on the fiscal impact of the bill or to provide an estimate. All penalties which are collected are placed in the general fund.

Fiscal Effect:

<u>1981-82</u>		<u>1982-83</u>		<u>Total Biennium</u>	
<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>	<u>Special Funds</u>	<u>General Fund</u>

Signed Lee C. Gerhard

Typed Name Lee C. Gerhard

Date Prepared: January 9, 1981

Department Geological Survey

If additional space is needed, attach a supplementary sheet.