(Return in triplicate)   FISCAL NOTE

Bill/Resolution No.: ___HB 1089___   Amendment to: _____

Requested by: ___Legislative Council___   Date of Receipt: __1/6/83__

Please estimate the fiscal impact of the above measure for:

[XX] State general or special funds   [XX] Counties   [XX] Cities

In the following space note the fiscal effect in dollars of this measure:

Narrative:

In the time given to prepare this fiscal note it is impossible to determine accurately which companies would meet the definition of "independent producer" as stated in HB 1089. Our projections encompass a range based on test data from two quarters of production and a review of all North Dakota producers. HB 1089, if enacted into law, would decrease revenues to the State General Fund approximately $14,010,000 to $19,110,000, decrease revenues to the School Aid Fund approximately $28,020,000 to $38,220,000 and decrease revenues to the Oil Extraction Tax Trust Fund approximately $4,670,000 to $6,370,000 for the 1983-85 biennium. This projection assumes current ownership and production patterns. If working interest ownership patterns shifted toward independents under the influence of this bill or a similar law because of the obvious financial advantages for independents, revenue losses could be considerably greater than projected in this fiscal note.

State Fiscal Effect:

1983-84		1984-85		Biennium Total	
Special Funds	General Fund	Special Funds	General Fund	Special Funds	General Fund
School Aid		School Aid		School Aid	
$12,000,000 to $16,200,000	-$6,000,000 to -$8,100,000	-$16,020,000 to -$22,020,000	-$ 8,010,000 to -$11,010,000	-$28,020,000 to -$38,220,000	-$14,010,00 to -$19,110,000
Trust Fund		Trust Fund		Trust Fund	
$ 2,000,000 to $ 2,700,000		-$ 2,670,000 to -$ 3,670,000		-$ 4,670,000 to -$ 6,370,000	

County and City Fiscal Effect:

1983-84		1984-85		Biennium Total	
Counties	Cities	Counties	Cities	Counties	Cities

If additional space is needed, attach a supplemental sheet.

Signed _____

Typed Name C. William Cudworth

Date prepared: ___1/11/83___   Department TAX