

FISCAL NOTE
Requested by Legislative Council
12/19/2012

Bill/Resolution No.: HB 1032

- 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				\$(258,100,000)		
Expenditures						
Appropriations						

- 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).*

HB 1032 creates an oil extraction tax exemption for oil that is refined in the state.

- 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, HB 1032 is estimated to reduce "other funds" revenues by approximately \$258,100,000 in the 2013-15 biennium. This impact is based only on the existing refining that is taking place currently in this state. Three additional refining facilities are under consideration that could increase refining in the state by an additional 55,000 barrels of oil per day. The fiscal impact of this bill would increase by an additional reduction in oil extraction tax revenues of an estimated \$286,000 per day for each day in the biennium that these facilities were up and running. It is unknown if the facilities will be online for any part - or all - of the 2013-15 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.*

This estimated impact is distributed as follows: 30% of the impact is a reduction in Legacy Fund revenues; 30% of the impact is a reduction in Strategic Infrastructure and Improvements Fund; 20% is a reduction in Resources Trust Fund revenues; 20% is a reduction in Common Schools Trust Fund and Foundation Aid Stabilization Fund revenues.

- 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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