15.0220.02000

# FISCAL NOTE
### Requested by Legislative Council
### 12/20/2014

Bill/Resolution No.: SB 2032

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.*

|  | 2013-2015 Biennium | | 2015-2017 Biennium | | 2017-2019 Biennium | |
|---|---|---|---|---|---|---|
|  | **General Fund** | **Other Funds** | **General Fund** | **Other Funds** | **General Fund** | **Other Funds** |
| **Revenues** | $0 | $0 | $0 | $0 | $0 | $0 |
| **Expenditures** | $0 | $0 | $0 | $300,000 | $0 | $330,000 |
| **Appropriations** | $0 | $0 | $0 | $300,000 | $0 | $330,000 |

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

|  | 2013-2015 Biennium | 2015-2017 Biennium | 2017-2019 Biennium |
|---|---|---|---|
| **Counties** | $0 | $0 | $0 |
| **Cities** | $0 | $0 | $0 |
| **School Districts** | $0 | $0 | $0 |
| **Townships** | $0 | $0 | $0 |

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).*

Establishes Oil & Gas Development Strategic Planning Authority (OGDSPA) overseen by Industrial Commission to develop/maintain comprehensive strategic plan on current & future infrastructure needs of political subdivisions affected by oil & gas development. Funding from OGDSPA Administrative Fund.

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.*

17-10-04 establishes the Oil and Gas Development Strategic Planning Authority Administrative Fund which will have a continuing appropriation. One source of funding for this new Administrative Fund will be the Oil and Gas Research Fund. The funding for the staffing of this new Authority will come from the Oil and Gas Research Fund.

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.*

Revenues for the newly created Oil and Gas Development Strategic Planning Authority will come from other funds including but not limited to the Oil and Gas Research Fund. Since the revenues come from another special fund the net result is zero for 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.*

It is estimated that the costs for this new authority would be approximately $300,000 a biennium. This amount is based on the costs that are currently being expended by the Industrial Commission through the Oil and Gas Research Fund for contracted labor under another authority overseen by the Commission. This cost would cover the staffing and expenses for the staff to travel for meetings or host meetings with political subdivisions. In addition there will be costs for distributing the plan either electronically or by hard copy.

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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Oil and Gas Development Strategic Planning Authority Administrative Fund is being established as a continuing appropriation. It is anticipated that the costs for the first biennium will be $300,000 and the monies would come from the Oil and Gas Research Fund. These costs would be for retaining a consultant/staff to develop and maintain the plan and for expenses that would be necessary to have meetings and facilitate discussions between political subdivisions. In addition there will be costs for distributing the plan either electronically or by hard copy.

**Name:** Karlene Fine

**Agency:** Industrial Commission

**Telephone:** 701-328-3722

**Date Prepared:** 01/05/2015