

FISCAL NOTE
Requested by Legislative Council
03/27/2015

Amendment to: Engrossed HB 1437

- 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						
Expenditures						
Appropriations						

- 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			
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).*

Engrossed HB 1437 with Senate Amendment extends the sunset on the "small" triggered oil extraction tax incentive, to June 30, 2019.

- 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.*

The March 2015 official forecast assumes the "big" trigger becomes effective and remains in effect for the first 11 months of the 2015-17 biennium. Based on provisions of this bill, the "small" trigger will become ineffective for at least one year after the "big" trigger comes off. If the forecast correctly assumes the big trigger becomes effective, there is likely no impact to this bill in the 2015-17 biennium. If the "big" trigger does not become effective, this small trigger would stay in effect until prices rise to \$70, or until June 30, 2019, whichever comes first. While this may result in revenue reductions of up to \$185,000 per new well, this would net out to less revenue lost from this bill than revenue gained from the big trigger not becoming effective.

This bill can be assumed to have no impact, consistent with the March 2015 forecast.

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

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