FISCAL NOTE
SENATE BILL NO. 2162
LC# 23.0496.01000
01/12/2023
Revised - 01/12/2023

1 - 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.

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			$(1,293,590)			
Expenditures			$1,293,590			
Appropriations						

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties		$1,293,590	
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

SB 2162 removes the requirement that counties must levy a total of at least 10 mills for combined levies for county road and bridge, farm-to-market and federal aid road and county road purposes from 57-51-15 related to Oil and Gas Gross production tax allocation to counties.

4 - Fiscal Impact Sections Detail

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.

Each year the Office of State Treasurer has the county certify to our office that they meet the requirement of 10 mills levied. Based on approximately 10 years of history related to Oil & Gas Production distributions performed, the Office of State Treasurer has not had to credit the General Fund any dollars due to counties not levying a total of 10 mills as prescribed by NDCC 57-51-15 subdivision a of subsection 4 and paragraph 1 of subdivision b of subsection

5. However, it was noticed prior to 2012 there had been counties that did not levy 10 mills and per 2023 certifications, a county did not levy 10 mills.

The counties that did not levy 10 mills received less than $5 M dollars of allocations, therefore the fiscal note was based off of the two counties that currently receive O&G allocations under NCDD 57-15-15 who in past and present had not met the levy requirement. The fiscal note of $1,293,590 is based off of the current formula and O&G estimates of Oil Tax Revenues. If we would base the estimate solely on the current county that has certified they did not levy 10 mills, the fiscal note is reduced to $88,413.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please 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 General Fund may be decreased by $1,293,590 since the county would qualify for the Oil & Gas Production allocation and the funds would no longer be attributed to the general fund buckets.

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

Expenditures for the General Fund could be affected by $1,293,590 since the county would qualify for the Oil & Gas Production allocation so the funds would be distributed to the county to be spent and not available for General Fund expenditures.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please 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.

Contact Information

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