

# FISCAL NOTE

Requested by Legislative Council  
03/26/2003

Amendment to: SB 2311

1A. **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.*

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	(\$27,000)	(\$9,500)	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$50,000	\$0	\$0

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

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	(\$13,500)	\$0	\$0	\$0	\$0	\$0

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Section 2 of Reengrossed SB 2311 with House Amendments appropriates the first \$50,000 of gross production and oil extraction tax collections in the 2003-05 biennium to the newly created oil and gas research fund. The \$50,000 appropriation reduces state general fund revenues as well as county and various other fund revenues. Other transfers to the oil and gas research fund that are provided for in the bill are estimated to not occur, as the current forecast does not exceed the threshold established in the bill for additional transfers in the 2003-2005 biennium.

After the 03-05 biennium 3% of the identified tax revenues (up to \$2,000,000) will be deposited into the Oil and Gas Research Fund. If the identified tax revenues exceed \$63,917,526 there will be no impact on the General Fund. There would be an impact of up to \$2,000,000 to the Oil Trust Fund.

Costs for administering this fund and assisting the newly created Oil and Gas Research Council 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.*

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, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Senate Bill 2311 provides for a continuing appropriation. The bill authorizes up to \$2,000,000 to be transferred to the Oil and Gas Research Fund each biennium after the 2003-2005 biennium. It is estimated that during the 2003-2005 biennium \$50,000 would be transferred to the newly created Oil and Gas Research Fund.

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