

FISCAL NOTE
Requested by Legislative Council
01/15/2013

Bill/Resolution No.: HB 1311

- 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			\$(364,300,000)	\$364,300,000		
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 1311 increases the amount of sales and motor vehicle excise tax that gets deposited in the state aid distribution fund (SADF).

- 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.*

Section 1 of HB 1311 increases the amount of sales and motor vehicle excise tax collections that get deposited in the SADF from the current level of 8% to 20% of total collections. Additionally, the bill provides that 50% of the additional revenues deposited in the SADF gets allocated to cities and counties under the method that exists in current law. The other half is held in the SADF for eventual distribution to counties for property tax relief.

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.*

If enacted, HB 1311 is expected to result in a reduction in state general fund revenues of \$364.3 million and an increase in SADF revenues of \$364.3 million. Of the increase in total SADF revenues, an estimated \$182.15 million will be distributed under the existing distribution method, and \$182.15 million will be allocated to counties for property tax relief.

- 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.*

Name: Kathryn L. Strombeck

Agency: Office of Tax Commissioner

Telephone: 328-3402

Date Prepared: 01/16/2013