

FISCAL NOTE
Requested by Legislative Council
01/12/2011

Bill/Resolution No.: HB 1303

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$64,830,000		
Expenditures						
Appropriations						

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

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			\$151,270,000					

2A. 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 1303 applies the state's oil extraction tax to natural gas and imposes a new oil and gas infrastructure maintenance tax.

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 1303 imposes an oil extraction tax on gas using a 'per unit' gas tax rate similar to the state's gross production tax rate on gas. This section is estimated to generate \$25.270 million for the producing counties and \$10.830 for the Legacy Fund.

Section 2 of HB 1303 imposes a new oil and gas infrastructure maintenance tax. This section is estimated to generate \$126.0 million for the producing counties and \$54.0 million for the Legacy Fund.

All county revenues from this bill must be deposited in the county road and bridge fund and used for road maintenance purposes.

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 is also included in the executive budget or relates to a*

continuing appropriation.

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