

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1078

2005 HOUSE FINANCE AND TAXATION

HB 1078

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1078**

House Finance and Taxation Committee

Conference Committee

Hearing Date **JANUARY 10, 2005**

Tape Number	Side A	Side B	Meter #
1	x		2.1

Committee Clerk Signature

Janice Stein

Minutes:

REP. WES BELTER, CHAIRMAN Called the committee hearing to order.

KELLY SCHMIDT, STATE TREASURER Testified in support of the bill. The bill was requested by the State Treasurer in order for them to bring current some of the issues that happened during the previous audit.

REP. BELTER You are not changing procedures, or doing anything new, you are just putting what you do in code?

KELLY SCHMIDT Right.

With no further testimony, the committee hearing was closed.

COMMITTEE ACTION 1-10-05 Tape #1, Side A, Meter #4

REP. IVERSON Made a motion for a **Do Pass**

REP. OWENS Second the motion. **Motion Carried 13 Yes 0 No 1 Absent**

FISCAL NOTE
 Requested by Legislative Council
 12/29/2004

Bill/Resolution No.: HB 1078

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

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

The fiscal impact of this bill is \$0. This bill provides language that describes the method used for calculating the gross production tax on oil and gas.

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.*

Name: Lawrence Hopkins
 Phone Number: 328-4694

Agency: State Treasures Office
 Date Prepared: 01/04/2005

Date: 1-10-05
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB1078

House FINANCE & TAXATION

Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Motion Made By

Do pass
Rep. Iverson

Seconded By

Rep. Owens

Representatives	Yes	No	Representatives	Yes	No
BELTER, WES, CHAIRMAN	✓				
DROVDAL, DAVID, V-CHAIR	✓				
BRANDENBURG, MICHAEL	✓				
CONRAD, KARI	✓				
FROELICH, ROD	✓				
GRANDE, BETTE	✓				
HEADLAND, CRAIG	✓				
IVERSON, RONALD	✓				
KELSH, SCOT	✓				
NICHOLAS, EUGENE	✓				
OWENS, MARK	✓				
SCHMIDT, ARLO	✓				
WEILER, DAVE	✓				
WRANGHAM, DWIGHT	✓				

Total (Yes) 13 No 0

Absent 1
Floor Assignment Rep. Brandenburg

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 10, 2005 11:29 a.m.

Module No: HR-05-0212
Carrier: Brandenburg
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1078: Finance and Taxation Committee (Rep. Belter, Chairman) recommends DO PASS (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1078 was placed on the Eleventh order on the calendar.

2005 SENATE FINANCE AND TAXATION

HB 1078

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. **HB 1078**

Senate Finance and Taxation Committee

Conference Committee

Hearing Date **February 28, 2005**

Tape Number	Side A	Side B	Meter #
#1	X		0.4 - 2.1

Committee Clerk Signature



Minutes:

SEN. URLACHER: called the committee to order and opened the hearing on HB 1078.

KELLY SCHMIDT: State Treasurer appeared in support with written testimony stating this bill is needed to clarify whether the 5 million dollars per biennium limitation for the oil & gas impact grant fund is based on when the oil & gas is produced or when the revenue is collected.

SEN. TOLLEFSON: made a **MOTION FOR DO PASS**, seconded by Sen. Every.

It was noted that Sen. Wardner had to go testify and should leave vote open for him to place his vote.

ROLL CALL VOTE: 5-0-1 Sen. Wardner will carry the bill.

Sen. Bercier absent.

Date: 2-28-05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1078

Senate

Finance and Taxation

Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken

Do Pass

Motion Made By

Tollefson

Seconded By

Every

Senators	Yes	No	Senators	Yes	No
Sen. Urlacher	✓		Sen. Bercier		
Sen. Wardner	✓		Sen. Every	✓	
Sen. Cook	✓				
Sen. Tollefson	✓				

Total (Yes)

5

No

0

Absent

1

Floor Assignment

Wardner

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 28, 2005 11:19 a.m.

Module No: SR-36-3752
Carrier: Wardner
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1078: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends DO PASS (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1078 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

HB 1078

Testimony of Kelly L. Schmidt
ND State Treasurer

IN SUPPORT OF HOUSE BILL 1078

Senate Finance and Tax Committee
February 28, 2005

This law relates to the limit on deposits of oil and gas tax and the revenue placed into the oil and gas impact grant fund. The law is not clear.

ND century code states that thirty-three and one-third percent of the oil and gas production "tax revenues collected" are to be deposited into the oil and gas impact grant fund, but not in an amount exceeding five millions dollars per biennium.

The Office of State Treasurer limits the amount deposited into the oil and gas impact grant fund based on the biennium the oil and gas was produced, regardless of when the tax revenue is collected

HB 1078 is needed to clarify whether the five million dollars per biennium limitation for the oil and gas impact grant fund is based on when the oil and gas is produced or when the revenue is collected.

I ask the committee to grant favorable consideration and give HB 1078 a "do pass" recommendation.