

FISCAL NOTE
Requested by Legislative Council
01/16/2017

Bill/Resolution No.: HB 1347

- 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.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				\$5,500,000		
Appropriations						

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

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 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).*

This measure increases legacy reclamation to \$5.5 million, and requires five studies to be conducted.

- 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 this measure provides a \$4 million increase per biennium on the amount that can be spent from the Abandoned Oil & Gas Well Plugging and Site Reclamation Fund (AWPSRF) on reclamation and restoration of land and water resources impacted before August 1, 1983.

Section 2 of this measure requires the Industrial Commission to conduct/oversee and report on five studies dealing with remediation of legacy brine ponds, landowner compensation for legacy brine pond contamination, continuation of Oil & Gas Research Council study on best techniques for legacy brine pond contamination remediation, best techniques for oil and gas soil compaction remediation, and a pilot project study and testing on best techniques for legacy brine pond contamination remediation. The total amount for the studies is up to \$5.5 million, appropriated as one-time funding from AWPSRF.

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.*

There is no revenue impact at this time; however Section 13 of HB1075 would reduce the biennium cap on production tax transfers to AWPSRF by \$5 million (\$2.5 million/fiscal year).

- 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.*

Special Fund expenditures are payments from AWPSRF.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The \$5.5 million is appropriated as one-time funding from AWPSRF.

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