MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M

ROLL NUMBER

DESCRIPTION

2178

2007 SENATE FINANCE AND TAXATION

SB 2178

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2178**

Senate Finance and Taxation Committee

☐ Check here for Conference Committee

Hearing Date: January 31, 2007

Recorder Job Number: # 2468

Committee Clerk Signature	Sharon Renfrow

Minutes:

Sen. Urlacher called the committee to order and opened the hearing on SB 2178.

Sen. Bowman appeared as prime sponsor in support stating this bill does one thing and only one thing and that is it raises the cap on the amount of money that an oil county can get and that has not been raised since 1983. The greatest challenge facing the construction industry today is the rising cost of road construction.

Sen. O'Connell: co-sponsor of the bill appeared in support with written testimony. (See attached)

Lynn Helmes: Dir. Of Dept. of Resources appeared in support for Sen. Bowman and gave some insight on the impact of the roads in Bowman County, especially Cedar Hills.

Kenneth Steiner: Chairman of Bowman County Board of County Commissioners appeared to give additional information regarding the situation of the roads.

Sen. Triplett: what amount of resources the county commission puts into the roads from county property taxes.

Answer: we just raised our mill levy up about 5 mills again and all dedicated to roads and grades. All oil and gas money is all dedicated to road and grade.

Dan Brouse of Bowman County Engineers appeared I support with written testimony and pictures. (See attached) very little money has ever gone into the general fund. That's where the money went; the road and bridge fund has always been spent at the road and bridge level.

Sen. Triplett: if we wanted to start paving the roads, what would we need?

Answer: we would probably need 50 to 100 million dollars

Sen. Cook: in Bowman County you only levy a quarter of a mil, so I'm assuming that any local effort for roads in Bowman County is with your general fund levy, correct? **Yes** Can you tell me what the mil rate is? **5 I believe it is.**

Sen. Cook: what's your total mill levy? 68 something for the county.

Sen. Cook: on the fiscal note, it indicates that there is only one county that is going to benefit from this and I assume that is Bowman County, is that correct? **Yes**

Sen. Cook: this FN is assuming that the 71 million dollar threshold of dollars in for the general fund is reduced to 60 million and where does that assumption come from or is it 10 million coming out of the general fund general. Why does this make the assumption that it's lowering that threshold from 71 to 61, was that the intent of the sponsors?

Sen. Bowman: the only intent of this bill is to raise the cap that the oil producing counties could receive if their production is increased and the formula stays the same.

Jim Arthaud: Pres. of Missouri Basin Well Services Inc. appeared in support with written testimony. (See attached)

Ron Ness: ND Petroleum Council appeared in support with had written calculations. (See attached)

John Morrison: Conoco Phillips appeared in support stating they support the effort the efforts of the county.

Cal Colin (?): Dir. Of the Bowman County Development Corporation passed out written testimony from Ed Shypkoski and Richard George. (See attached)

Vicky Steiner: ND Assoc. of Oil and Gas Producing Counties appeared in support with written testimony. (See attached)

Sen. Bowman: one thing that we've left out of this whole formula is the Bakken Plain.

Sen. Triplett: why you think it's justifiable that the oil producing counties appear to be making less local effort toward road construction than all of the rest of the counties in ND who also put effort into maintaining roads.

Sen. Bowman: we've maxed our total effort out and everything that we can. We've used all of our extra resources that we've accumulated to put into these road projects.

Jim Arthaud: if we would be allowed to levy property tax on a pumping of the infrastructure and the mill levy meant anything, then I think that the situation would be totally different.

Sen. Tollefson: I think that measure 6 entered into this whole taxable situation in the counties as a result of referrals that created the problem where the counties don't have the ability to tax the oil infrastructure.

Answer: that's correct, we don't have the ability to raise our cap which the other counties have the ability to raise our property taxes. We do have the ability to raise our property taxes but then we are taxing people that aren't really responsible for the consequences of the oil and gas industry.

Kevin Schatz: Tax Dept. Appeared to explain the assumption on the fiscal note and will get back to the committee as Kathy Strombeck did up the FN.

No opposition. Closed the hearing.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2178**

Senate Finance and Taxation Committee

☐ Check here for Conference Committee

Hearing Date: February 7, 2007

Recorder Job Number: # 3063

Committee Clerk Signature	Sharon Renfrow

Minutes:

Sen. Urlacher called the committee back to order for further discussion and action on SB 2178.

Sen. Bowman: presented 2 different amendments and explained them. 0101 and 0102. 0101 makes the county commissioners have to make a decision, the 2nd amendment 0201 for the counties that absolutely do not want to raise their mills, this does one thing, it allows them to see 1 million more, no more than that, just an inflationary adjustment.

John Walstad: Legislative Council: appeared to state that the 2 amendments are not compatible and cannot go together.

Sen. Cook: made a Motion to move the Amendment 0101, seconded by Sen. Triplett.

Voice vote: 6-0-1. The amendment passed.

Sen. Oehlke: made a Motion for **DO PASS as Amended**, seconded by Sen. Horne.

Sen. Cook: what we are doing is, the money is coming out of the general fund not out of the oil trust fund.

Roll call vote: 5-2-0 Sen. Oehlke will carry the bill.

FISCAL NOTE

Requested by Legislative Council
04/12/2007

Amendment to: Engrossed SB 2178

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				($2,000,000)		
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			$2,000,000					

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).*

Engr. SB 2178 with Conference Committee Amendments increases the maximum amount of gross production tax revenues counties can receive, provided the county levies a specified number of mills for various road purposes.

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 the bill increases the county "caps" by $1 million per year. At current production levels, only one county would be affected, and it would receive an additional $2 million in the 2007-09 biennium, if it increases its road levies.

Section 2 repeals the existing statute relative to the permanent oil tax trust fund when and if the new section to article X of the Constitution as contained in HCR 3045 is adopted by the legislature and the voters of the state.

Section 4 prohibits the changing of the state general fund's biennial oil tax revenue "cap" thereby allowing the negative fiscal effect of this bill to impact the permanent oil tax trust 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.*

Engr. SB 2178 with Conference Committee Amendments is expected to decrease permanent oil tax trust fund revenues and increase county revenues $2 million in the 2007-09 biennium.

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
Phone Number:	328-3402	**Date Prepared:**	04/12/2007

FISCAL NOTE

Requested by Legislative Council
03/28/2007

Amendment to: Engrossed SB 2178

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				($2,000,000)		
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			$2,000,000					

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).*

Engr. SB 2178 with House Amendments increases the maximum amount of gross production tax revenues counties can receive, provided the county levies a specified number of mills for various road purposes.

The provisions to increase county revenues "sunset" after the 2007-09 biennium.

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 the bill increases the county "caps" by $1 million per year. At current production levels, only one county would be affected, and it would receive an additional $2 million in the 2007-09 biennium, if it increases its road levies.

Section 2 repeals the existing statute relative to the permanent oil tax trust fund when and if the new section to article X of the Constitution as contained in HCR 3045 is adopted by the legislature and the voters of the state.

Section 3 prohibits the changing of the state general fund's biennial oil tax revenue "cap" thereby allowing the negative fiscal effect of this bill to impact the permanent oil tax trust 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.*

Engr. SB 2178 with House Amendments is expected to decrease permanent oil tax trust fund revenues and increase county revenues $2 million in the 2007-09 biennium.

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
Phone Number:	328-3402	**Date Prepared:**	03/28/2007

FISCAL NOTE

Requested by Legislative Council
03/14/2007

Amendment to: Engrossed SB 2178

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				($2,000,000)		
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			$2,000,000					

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).*

Engr. SB 2178 with House Amendments increases the maximum amount of gross production tax revenues counties can receive, provided the county levies a specified amount for various road purposes.

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 the bill increases the county "caps" by $1 million per year. At current production levels, only one county would be affected, and it would receive an additional $2 million in the 2007-09 biennium, if it increases its road levies.

Section 2 prohibits the changing of the state general fund's biennial oil tax revenue "cap" thereby allowing the negative fiscal effect of this bill to impact the permanent oil tax trust 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.*

Engr. SB 2178 with House Amendments is expected to decrease permanent oil tax trust fund revenues and increase county revenues $2 million in the 2007-09 biennium.

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
Phone Number:	328-3402	**Date Prepared:**	03/14/2007

FISCAL NOTE

Requested by Legislative Council
02/09/2007

Amendment to: SB 2178

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			($10,000,000)			
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			$10,000,000					

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).*

Eng. SB 2178 increases the maximum amount of gross production tax revenues counties can receive, provided the county levies a specified amount for various road purposes.

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 the bill increases the county "caps" by $5 million per year. At current production levels, only one county would be affected, and it would receive an additional $10 million in the 2007-09 biennium, if it increases its road levies.

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.*

Eng. SB 2178 is expected to decrease state general fund revenues and increase county revenues $10 million in the 2007-09 biennium.

It is assumed that Eng. SB 2178 is a distributional change, and as such will reduce the state general fund biennial cap from $71 million to $61 million for the 2007-09 biennium, pursuant to NDCC 57-51.1-07.2. It is assumed that the permanent oil tax trust fund is not affected by this change.

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

FISCAL NOTE

Requested by Legislative Council
01/11/2007

Bill/Resolution No.: SB 2178

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.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues			($10,000,000)			
Expenditures						
Appropriations						

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

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
			$10,000,000					

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).*

SB 2178 increases the maximum amount of gross production tax revenues counties can receive.

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 the bill increases the county "caps" by $5 million per year. At current production levels, only one county would be affected, and it would receive an additional $10 million in the 2007-09 biennium.

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.*

SB 2178 is expected to decrease state general fund revenues and increase county revenues $10 million in the 2007-09 biennium.

It is assumed that SB 2178 is a distributional change, and as such will reduce the state general fund biennial cap from $71 million to $61 million for the 2007-09 biennium, pursuant to NDCC 57-51.1-07.2. It is assumed that the permanent oil tax trust fund is not affected by this change.

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
Phone Number:	328-3402	**Date Prepared:**	01/29/2007

70490.0101
Title.

Prepared by the Legislative Council staff for
Senator Bowman
February 7, 2007

PROPOSED AMENDMENTS TO SENATE BILL NO. 2178

Page 1, line 1, replace "subsection" with "subsections" and after "2" insert "and 3"

Page 1, line 2, remove "an"

Page 1, line 5, replace "Subsection" with "Subsections" and after "2" insert "and 3"

Page 1, line 6, replace "is" with "are"

Page 1, line 20, remove the overstrike over "~~three~~", remove "eight", and after "year" insert "; however, a county may receive up to eight million nine hundred thousand dollars under this subdivision for each fiscal year if during that fiscal year the county levies a total of at least ten mills for combined levies for county road and bridge, farm-to-market and federal-aid road, and county road purposes. Any amount received by a county exceeding three million nine hundred thousand dollars under this subdivision is not subject to allocation under subsection 3 but must be credited by the county treasurer sixty percent to the county general fund, ten percent to school districts within the county on the basis of average daily attendance, and thirty percent to incorporated cities of the county based upon population"

Page 1, line 22, remove the overstrike over "~~four~~" and remove "nine"

Page 1, line 23, after "year" insert "; however, a county may receive up to nine million one hundred thousand dollars under this subdivision for each fiscal year if during that fiscal year the county levies a total of at least ten mills for combined levies for county road and bridge, farm-to-market and federal-aid road, and county road purposes. Any amount received by a county exceeding four million one hundred thousand dollars under this subdivision is not subject to allocation under subsection 3 but must be credited by the county treasurer sixty percent to the county general fund, ten percent to school districts within the county on the basis of average daily attendance, and thirty percent to incorporated cities of the county based upon population"

Page 2, line 2, remove the overstrike over "~~four~~", remove "nine", and after "year" insert "; however, a county may receive up to nine million six hundred thousand dollars under this subdivision for each fiscal year if during that fiscal year the county levies a total of ten mills or more for combined levies for county road and bridge, farm-to-market and federal-aid road, and county road purposes. Any amount received by a county exceeding four million six hundred thousand dollars under this subdivision is not subject to allocation under subsection 3 but must be credited by the county treasurer sixty percent to the county general fund, ten percent to school districts within the county on the basis of average daily attendance, and thirty percent to incorporated cities of the county based upon population"

Page 2, after line 5, insert:

"3. Forty-five percent of all revenues as may by the legislative assembly be allocated to any county hereunder must be credited by the county treasurer to the county general fund. Thirty-five percent of all revenues allocated to any county must be apportioned by the county treasurer no less than quarterly to school districts within the county on the average daily attendance distribution basis, as certified to the county treasurer by the county superintendent of schools. However, no school district may receive in any single academic year an amount under this subsection greater than the county average per student cost multiplied by seventy percent, then multiplied by the number of students in average daily attendance or the number of children of school age in the school census for the county, whichever is greater. Provided, however, that in any county in which the average daily attendance or the school census, whichever is greater, is fewer than four hundred, the county is entitled to one hundred twenty percent of the county average per student cost multiplied by the number of students in average daily attendance or the number of children of school age in the school census for the county, whichever is greater. Once this level has been reached through distributions under this subsection, all excess funds to which the school district would be entitled as part of its thirty-five percent share must be deposited instead in the county general fund. The county superintendent of schools of each oil-producing county shall certify to the county treasurer by July first of each year the amount to which each school district is limited pursuant to this subsection. As used in this subsection, "average daily attendance" means the average daily attendance for the school year immediately preceding the certification by the county superintendent of schools required by this subsection. Twenty percent of all revenues allocated to any county hereunder must be paid no less than quarterly by the state treasurer to the incorporated cities of the county based upon the population of each incorporated city according to the last official decennial federal census. ~~However, no city may receive in any fiscal year an amount under this subsection greater than five hundred dollars per capita.~~ Once this level has been reached through distributions under this subsection, all excess funds to which any city would be entitled except for this limitation must be deposited instead in that county's general fund. Provided, however, that in determining the population of any city in which total employment increases by more than two hundred percent seasonally due to tourism, the population of that city for purposes of determining the per capita limitation in this section must be increased by adding to the population of the city as determined by the last official decennial federal census a number to be determined as follows:

a. Seasonal employees of state and federal tourist facilities within five miles [8.05 kilometers] of the city must be included by adding the months all such employees were employed during the prior year and dividing by twelve.

b. Seasonal employees of all private tourist facilities within the city and seasonal employees employed by the city must be included by adding the months all such employees were employed during the prior year and dividing by twelve.

c. The number of visitors to the tourist attraction within the city or within five miles [8.05 kilometers] of the city which draws the largest number of visitors annually must be included by taking the smaller of either of the following:

    (1) The total number of visitors to that tourist attraction the prior year divided by three hundred sixty-five; or

    (2) Four hundred twenty."

Renumber accordingly

NO

70490.0102
Title.

Prepared by the Legislative Council staff for
Senator Bowman
February 7, 2007

PROPOSED AMENDMENTS TO SENATE BILL NO. 2178

Page 1, line 1, replace "subsection" with "subsections" and after "2" insert "and 3"

Page 1, line 2, remove "an"

Page 1, line 5, replace "Subsection" with "Subsections" and after "2" insert "and 3"

Page 1, line 6, replace "is" with "are"

Page 1, line 20, replace "eight" with "four" and after "year" insert "; however, a county may receive up to eight million nine hundred thousand dollars under this subdivision for each fiscal year if during that fiscal year the county levies a total of at least ten mills for combined levies for county road and bridge, farm to market and federal aid road, and county road purposes. Any amount received by a county exceeding four million nine hundred thousand dollars under this subdivision is not subject to allocation under subsection 3 but must be credited by the county treasurer sixty percent to the county general fund, ten percent to school districts within the county on the basis of average daily attendance, and thirty percent to incorporated cities of the county based upon population"

Page 1, line 22, replace "nine" with "five"

Page 1, line 23, after "year" insert "; however, a county may receive up to nine million one hundred thousand dollars under this subdivision for each fiscal year if during that fiscal year the county levies a total of at least ten mills for combined levies for county road and bridge, farm to market and federal aid road, and county road purposes. Any amount received by a county exceeding five million one hundred thousand dollars under this subdivision is not subject to allocation under subsection 3 but must be credited by the county treasurer sixty percent to the county general fund, ten percent to school districts within the county on the basis of average daily attendance, and thirty percent to incorporated cities of the county based upon population"

Page 2, line 2, replace "nine" with "five" and after "year" insert "; however, the county may receive up to nine million six hundred thousand dollars under this subdivision for each fiscal year if during that fiscal year the county levies a total of ten mills or more for combined levies for county road and bridge, farm to market and federal aid road, and county road purposes. Any amount received by a county exceeding five million six hundred thousand dollars under this subdivision is not subject to allocation under subsection 3 but must be credited by the county treasurer sixty percent to the county general fund, ten percent to school districts within the county on the basis of average daily attendance, and thirty percent to incorporated cities of the county based upon population"

Page 2, after line 5, insert:

"3. Forty-five percent of all revenues as may by the legislative assembly be allocated to any county hereunder must be credited by the county treasurer to the county general fund. Thirty-five percent of all revenues allocated to any county must be apportioned by the county treasurer no less than quarterly to school districts within the county on the average daily attendance distribution basis, as certified to the county treasurer by the county superintendent of schools. However, no school district may receive in any single academic year an amount under this subsection greater than the county average per student cost multiplied by seventy percent, then multiplied by the number of students in average daily attendance or the number of children of school age in the school census for the county, whichever is greater. Provided, however, that in any county in which the average daily attendance or the school census, whichever is greater, is fewer than four hundred, the county is entitled to one hundred twenty percent of the county average per student cost multiplied by the number of students in average daily attendance or the number of children of school age in the school census for the county, whichever is greater. Once this level has been reached through distributions under this subsection, all excess funds to which the school district would be entitled as part of its thirty-five percent share must be deposited instead in the county general fund. The county superintendent of schools of each oil-producing county shall certify to the county treasurer by July first of each year the amount to which each school district is limited pursuant to this subsection. As used in this subsection, "average daily attendance" means the average daily attendance for the school year immediately preceding the certification by the county superintendent of schools required by this subsection. Twenty percent of all revenues allocated to any county hereunder must be paid no less than quarterly by the state treasurer to the incorporated cities of the county based upon the population of each incorporated city according to the last official decennial federal census. ~~However, no city may receive in any fiscal year an amount under this subsection greater than five hundred dollars per capita.~~ Once this level has been reached through distributions under this subsection, all excess funds to which any city would be entitled except for this limitation must be deposited instead in that county's general fund. Provided, however, that in determining the population of any city in which total employment increases by more than two hundred percent seasonally due to tourism, the population of that city for purposes of determining the per capita limitation in this section must be increased by adding to the population of the city as determined by the last official decennial federal census a number to be determined as follows:

a. Seasonal employees of state and federal tourist facilities within five miles [8.05 kilometers] of the city must be included by adding the months all such employees were employed during the prior year and dividing by twelve.

b. Seasonal employees of all private tourist facilities within the city and seasonal employees employed by the city must be included by adding the months all such employees were employed during the prior year and dividing by twelve.

c. The number of visitors to the tourist attraction within the city or within five miles [8.05 kilometers] of the city which draws the largest number of visitors annually must be included by taking the smaller of either of the following:

    (1) The total number of visitors to that tourist attraction the prior year divided by three hundred sixty-five; or

    (2) Four hundred twenty."

Renumber accordingly

Date: 2-7-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2178

Senate Finance & Tax Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass As Amended + Refer to Approp's

Motion Made By Sen. Oehlke Seconded By Sen. Triplett

Senators	Yes	No	Senators	Yes	No
Sen. Urlacher	✓		Sen. Anderson	✓	
Sen. Tollefson		✓	Sen. Horne	✓	
Sen. Cook		✓	Sen. Triplett	✓	
Sen. Oehlke	✓				

Total (Yes) 5 No 2

Absent 0

Floor Assignment Senator Oehlke

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