

# FISCAL NOTE

**Bill #:** HB0040

**Title:** Coal tax for treasure state endowment regional water system funding

**Primary**

**Sponsor:** John Witt

**Status:** As Introduced

\_\_\_\_\_  
Sponsor signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chuck Swysgood, Budget Director

\_\_\_\_\_  
Date

## Fiscal Summary

**FY2002**  
**Difference**

**FY2003**  
**Difference**

**Expenditures:**

**Revenue:**

**Net Impact on General Fund Balance:**

**0**

**0**

<b><u>Yes</u></b>	<b><u>No</u></b>		<b><u>Yes</u></b>	<b><u>No</u></b>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget	X		Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached	X		Family Impact Form Attached

## Fiscal Analysis

### ASSUMPTIONS:

1. The 25% of coal severance taxes that are being diverted from the permanent trust fund to the Treasure State Endowment regional water fund would terminate on June 30, 2013 regardless of the passage of HB 40. Therefore, there would be no fiscal impact in the 2003 biennium.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The only potential impact would be on local governments after June 30, 2013, if they choose to participate in the construction of a regional water project that the state would authorize for funding assistance.

LONG-RANGE IMPACTS:

The Treasure State Endowment regional water fund would continue to be a source of funding for regional water projects beyond June 30, 2013. The fund would continue to provide the state share of the cost of construction on the currently approved regional water projects even if the construction takes place after 2013. Removing the termination date on the fund also allows for an unqualified opinion from a bond counsel if the state is required to sell bonds in any given year in order to have sufficient monies to fund the state share. The bonds would need to be repaid with earnings from the Treasure State Endowment regional water fund for many years beyond June 30, 2013. In addition, the fund would continue to be in place to provide the state share of the cost of construction on any new regional water projects that the state may choose to help fund.