

FISCAL NOTE

Bill #: HB 642

Title: Revise distribution of oil and gas production taxes

Primary Sponsor: Bob Story

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY2002 Difference</u>	<u>FY2003 Difference</u>
Revenue:		
State Special Revenue		
groundwater assessment account	\$(300,000)	\$(366,000)
reclamation and development	\$150,000	\$183,000
orphan share	\$150,000	\$183,000
Net Impact on General Fund Balance:	\$0	\$0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	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. This bill corrects a technical wording problem with MCA 15-36-324. The intent of this section was to make a fixed allocation each fiscal year to the groundwater assessment account from the combined receipts of the resource indemnity trust tax and the oil and gas tax. As written, current law allocates the specified amount from each tax. This bill eliminates the allocation from the oil and gas tax.
2. The amount allocated to the groundwater assessment account from the oil and gas tax is \$300,000 each fiscal year until the balance in the Resource Indemnity Trust reaches \$100 million and \$366,000 each fiscal year after that. The balance in the Resource Indemnity Trust is projected to reach \$100 million in fiscal 2002.
3. This bill would reduce revenue going to the groundwater assessment account by \$300,000 in fiscal 2002 and by \$366,000 in fiscal 2003.

(continued)

4. This bill would increase revenue going to the reclamation and development grants account by \$150,000 in fiscal 2002 and by \$183,000 in fiscal 2003. It would increase revenue going to the orphan share account by \$150,000 in fiscal 2002 and by \$183,000 in fiscal 2003.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Revenues:</u>		
State Special Revenue (02)		
groundwater assessment account	\$(300,000)	\$(366,000)
reclamation and development	\$150,000	\$183,000
orphan share	\$150,000	\$183,000

Net Impact to Fund Balance (Revenue minus Expenditure):

State Special Revenue (02)		
groundwater assessment account	\$(300,000)	\$(366,000)
reclamation and development	\$150,000	\$183,000
orphan share	\$150,000	\$183,000