FISCAL NOTE

Bill #: HB0604 **Title:** Distribute natural gas tax to school flexibility account

Primary Sponsor: Gallik, D **Status:** As Amended in Senate Committee

Sponsor signature Date Chuck Swysgood, Budget Director Date

Fiscal Summary

	FY 2004 Difference	FY 2005 Difference
Expenditures:		
General Fund	$0	$0
Revenue:		
General Fund	$0	$0
Net Impact on General Fund Balance:	$0	$0

- ☐ Significant Local Gov. Impact
- ☐ Included in the Executive Budget
- ☒ Dedicated Revenue Form Attached
- ☐ Technical Concerns
- ☐ Significant Long-Term Impacts
- ☐ Needs to be included in HB 2

Fiscal Analysis

ASSUMPTIONS:

1. This bill would change the allocation of the portion of oil and gas tax from natural gas production, except from working interests in new wells, that goes to the general fund under current law. In fiscal 2004, it would allocate the first $2.859 million to the general fund, the next $3.141 million to the school flexibility account, and any remainder to the general fund. In fiscal 2005 and following years it would allocate the first $2.915 million to the general fund, the next $3.085 million to the school flexibility account, and any remainder to the general fund.
2. Under current law, oil and gas tax revenue from natural gas production, except from working interests in new wells, going to the general fund is projected to be $2.770 million in fiscal 2004 and $2.848 million in fiscal 2005. Thus, this bill would have no effect on revenues in fiscal years 2004 or 2005.

LONG-RANGE IMPACTS:

In any fiscal year after 2005 when oil and gas tax revenue from natural gas production, except from working interests in new wells, that is allocated to the general fund under current law exceeds $2.915 million, the excess, up to $3.085 million, would go to the school flexibility account.