

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 32** HLS 13RS 49

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: March 14, 2013 8:51 AM	Author: THIBAUT
Dept./Agy.: Wildlife and Fisheries/Natural Resources	Analyst: Stephanie C. Blanchard
Subject: Dedicate False River Lease Revenue	

MINERALS/RIGHTS-ROYALTY OR DECREASE GF RV See Note Page 1 of 1

Dedicates a portion of mineral income from False River to operations, management, and improvements including aquatic weed management in the lake

Proposed law dedicates 10% of the revenues, up to a maximum of \$100,000 per year, received from leases, bonuses, royalties, rights-of-way, and other sums payable to the state from activity on the state water bottoms of False River. After constitutional allocations, these monies are to be deposited into the False River Management Account (established by this bill) in the Conservation Fund. The monies in the account shall be appropriated to the Department of Natural Resources for operations, management, and improvements to False River and to the Department of Wildlife and Fisheries for aquatic plant control in False River. Each year's plan for the expenditure of monies appropriated from the account shall be subject to the approval of the House Committee on Natural Resources and Environment and Senate Committee on Natural Resources.

EXPENDITURES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2013-14	2014-15	2015-16	2016-17	2017-18	5 -YEAR TOTAL
State Gen. Fd.	DECREASE	DECREASE	DECREASE	DECREASE	DECREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The Department of Natural Resources will incur some minor programming costs to properly allocate the specified revenues to the newly created fund.

REVENUE EXPLANATION

The proposed legislation would redirect revenues that would currently be classified as state general fund receipts to the False River Management Account (newly created by this bill) within the Conservation Fund. According to the Department of Natural Resources, there are no current active leases on water bottoms of False River. There have been nine leases awarded since 1975; five that produced and four that did not produce. The last active leases were released in 2010.

In the absence of this legislation, any future revenues received by the state would be classified as state general fund receipts. To the extent that any future revenues are received by the state, provisions of the legislation cap the amount to be redirected at \$100,000 per year, and this represents the amount of potential decrease of state general fund revenues and the potential increase of statutory dedications represented in the table above.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}	<input type="checkbox"/> 6.8(F) >= \$500,000 Annual Fiscal Cost {S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	

Gregory V. Albrecht
Chief Economist