



Fiscal Note

S.B. 107

2023 General Session
 Oil and Gas Severance Tax Amendments
 by Winterton, R.



General, Income Tax, and Uniform School Funds

JR4-4-101

	Ongoing	One-time	Total
Net GF/ITF/USF (rev.-exp.)	\$(126,600)	\$(20,047,000)	\$(20,173,600)

State Government

UCA 36-12-13(2)(c)

Revenues	FY 2023	FY 2024	FY 2025
Dedicated Credits Revenue	\$0	\$60,000	\$13,000
Long-term Capital Projects Fund	\$0	\$20,000,000	\$0
Permanent Community Impact	\$0	\$20,000,000	\$0
Total Revenues	\$0	\$40,060,000	\$13,000

Enactment of this legislation appropriates \$20,000,000 one-time in FY 2024 from the General Fund to the Long-Term Capital Projects Fund, and \$20,000,000 one-time in FY 2024 from the Long-Term Capital Projects Fund to the Permanent Community Impact Loan Fund. Enactment of this legislation could also result in approximately \$9.6 million in one-time foregone revenue to the General Fund in FY 2024 and approximately \$13.1 million in ongoing foregone revenue to the General Fund beginning in FY 2025; enactment of this legislation could also result in approximately \$9.6 million in one-time revenue to the new Impact Projects Restricted Account in FY 2024 and approximately \$13.1 million in ongoing revenue to the account beginning in FY 2025. Enactment of this legislation could also result in increased dedicated credits revenue to the Attorney General of approximately \$47,000 one-time in FY 2024 and \$13,000 ongoing beginning in FY 2024 for provision of legal services.

Expenditures	FY 2023	FY 2024	FY 2025
General Fund	\$0	\$126,600	\$126,600
General Fund, One-time	\$0	\$20,047,000	\$0
Dedicated Credits Revenue	\$0	\$60,000	\$13,000
Long-term Capital Projects Fund	\$0	\$20,000,000	\$0
Permanent Community Impact	\$0	\$20,000,000	\$0
Total Expenditures	\$0	\$60,233,600	\$139,600

This bill appropriates \$20 million from the General Fund to the Long-Term Capital Projects Fund, which is then appropriated to the Permanent Community Impact Loan Fund. Enactment of this legislation could also cost the Department of Workforce Services approximately \$126,600 ongoing beginning in FY 2024 and \$47,000 one-time in FY 2024 from the General Fund for staff costs to administer severance tax loans and grants and legal services from the Attorney General. Enactment of this legislation could also cost the Attorney General approximately \$47,000 one-time in FY 2024 and \$13,000 ongoing beginning in FY 2024 from dedicated credits to provide legal services to the Department of Workforce Services.

	<i>FY 2023</i>	<i>FY 2024</i>	<i>FY 2025</i>
Net All Funds	<u>\$0</u>	<u>\$(20,173,600)</u>	<u>\$(126,600)</u>

Local Government UCA 36-12-13(2)(c)

Enactment of this legislation could increase funds to certain local governments by approximately \$9.6 million one-time in FY 2024 and \$13.1 million ongoing beginning in FY 2025.

Individuals & Businesses UCA 36-12-13(2)(c)

Enactment of this legislation likely will not result in direct expenditures from tax or fee changes for Utah residents and businesses.

Regulatory Impact UCA 36-12-13(2)(d)

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

Performance Evaluation JR1-4-601

This bill creates a new program or significantly expands an existing program. For a list of questions lawmakers might ask to improve accountability for the proposed program, please see: <https://budget.utah.gov/newprogram>

Notes on Notes

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.