HOUSE FISCAL AGENCY

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FISCAL ANALYSIS

HOUSE BILL 4232 AS INTRODUCED
Sponsor: Rep. David C. Mead
House Committee: Conservation and Outdoor Recreation

HOUSE BILL 4233 AS INTRODUCED
Sponsor: Rep. Kenneth L. Bradstreet
House Committee: Conservation and Outdoor Recreation

FLOOR ANALYSIS - 2/25/02
Analyst(s): Jim Stansell

SUMMARY

House Bills 4232 and 4233 are tie-barred, and would change the method by with oil and gas severance tax revenues are distributed.

HB4233 stipulates that beginning October 1, 2000, 25% of the oil and gas revenue received be distributed back to the local units from which the oil and gas had been removed.

HB 4232 dictates that of the 25% that is returned to local units, one-half would be returned to the county from which the oil and gas had been removed with the remaining amount earmarked for the specific city, village, or township within that county from which the oil and gas had been removed.

Because 25% of oil and gas severance revenues would be distributed back to local units, the reduction in state revenues would be approximately $15 million.