

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING ADDITIONAL FUNDING FOR AGRICULTURAL ENERGY-RELATED PROJECTS THROUGH THE AGRICULTURE VALUE-ADDED CASH FUND.

Prime Sponsors: Senator Isgar
Representative Roberts

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Summary of Amendments Made to the Bill After the 02/20/09 Legislative Council Staff Revised Fiscal Note Was Prepared

None.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Amendments/Appropriation Status

The bill neither requires nor contains an appropriation clause for FY 2009-10.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Point to Consider

1. The Joint Budget Committee staff projects that the balance in the Operational Account of the Severance Tax Trust Fund will be approximately \$23.9 million less than the expenditures and reserve requirements in FY 2009-10. There will also be a shortfall of roughly \$38.4 million in FY 2010-11 and \$30.2 million in FY 2011-12. These shortfalls will trigger a statutory provision that requires proportional reductions in expenditures by Tier 2 programs to match the projected revenues. This bill would increase the projected shortfalls. The Joint Budget Committee staff projection is based on the December Legislative Council Staff forecast of severance tax revenues, and the FY 2009-10 operating budget request submitted by the Department of Natural Resources.