

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE EXTENSION OF SEVERANCE TAX FUNDING FOR THE PROMOTION OF AGRICULTURAL ENERGY-RELATED PROJECTS.

Prime Sponsors: Representative Becker
Senator Hodge

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Date Prepared: April 5, 2012

Summary of Amendments Made to the Bill After the 04/04/12 Legislative Council Staff 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 requires but does not contain an appropriation clause. Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$500,000 cash funds from the Agriculture Value-added Cash Fund from to the Department of Agriculture for FY 2012-13.

Bill Sponsor Amendments

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

Points to Consider

This bill provides for continued transfers from the Operational Account of the Severance Tax Trust Fund to the Agriculture Value-added Cash Fund for agriculture energy-related projects. Providing funding for these programs results in a corresponding decrease in funding for other "Tier 2" Operational Account programs. Based on the March 2012 Legislative Council Staff Revenue Forecast, even in the absence of this bill, the Operational Account will not have sufficient revenues to support currently authorized expenditures in FY 2012-13 which would lead to reductions in expenditures for other "Tier 2" programs (either proportional reductions driven by statute or targeted reductions by the General Assembly).