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HOUSE FISCAL AGENCY

124 N. Capitol Avenue
4 – North, HOB Lansing, MI

HB4232 AS REPORTED WITHOUT AMENDMENT

Sponsor
Committee

Rep. David Mead
CONSERVATION AND OUTDOOR
RECREATION

Analyst(s) Stansell, Jim

Completed 6/21/01

State Fiscal Impact

Cost	None
Revenues	Decrease

Local Fiscal Impact

Cost	None
Revenues	None

House Bills 4232 and 4233 are tie-barred, and would change the method by which 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.