

Fiscal Estimate Narratives

DNR 5/3/01

LRB Number	01-2997/1	Introduction Number	SB-159	Estimate Type	Original
Subject					
Prohibit drilling for oil and gas beneath the Great Lakes					

Assumptions Used in Arriving at Fiscal Estimate

Bill Analysis:

This bill prohibits any person from conducting drilling operations for the exploration for or production of oil or gas from beneath the beds of the Great Lakes or adjacent bays and harbors. Under current law, drilling through the beds of the Great Lakes is prohibited, but directional drilling beneath the bed of the Great Lakes is permissible provided the activity is conducted in accordance with all other applicable statutes.

Fiscal Impact:

The proposed legislation would not have any immediate local or state fiscal impacts. Wisconsin does not have any known oil or gas reserves and there have been no proposals to conduct exploration drilling beneath the Great Lakes. Given the lack of a viable oil and gas industry in the state, such a prohibition should result in essentially no fiscal impacts.

Long-Range Fiscal Implications

It is possible that there is an unknown reserve of oil or gas lying somewhere beneath one of the Great Lakes. If this legislation is enacted, development of this resource would be precluded and the State would not collect the royalties and other revenues associated with oil and gas production.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-2997/1		Introduction Number SB-159	
Subject			
Prohibit drilling for oil and gas beneath the Great Lakes			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$	\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
NET CHANGE IN COSTS		\$	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	Date
DNR/ Joe Polasek (608) 266-2794		Joe Polasek (608) 266-2794	5/3/01