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FISCAL IMPACT REPORT

SPONSOR:	Leavell	DATE TYPED:	02/11/00	HB
SHORT TITLE:	Support Federal Incentives To Oil and Gas Production			SB
				ANALYST: Williams
Senate Memorial 10				

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
None					

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY00	FY01			
None				

(Parenthesis () Indicate Revenue Decreases)

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

Energy, Minerals and Natural Resources Department (EMNRD)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

Encourages the United States Congress to approve Senate Bill 595 which provides tax incentives for marginal oil and gas wells and establish the goal of limiting oil imports to no more than 60 percent of domestic consumption.

The bill notes that domestic oil and gas production is declining, while foreign oil imports are growing to 56 percent of current total consumption. It states that the domestic rig count is the

lowest since 1944 and there is declining production and reduced exploration. The memorial states it is a national security threat to rely on foreign oil for more than 60 percent of daily consumption.

AW/jsp