

Fifty-fifth  
Legislative Assembly  
of North Dakota

**ENGROSSED SENATE BILL NO. 2366**

Introduced by

Senator Goetz

1 A BILL for an Act to provide for deposit of certain oil extraction and oil and gas gross production  
2 tax excess revenues into a permanent oil tax trust fund and deposit of interest earned on the  
3 fund to the general fund; and to declare an emergency.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. Permanent oil tax trust fund - Deposits - Interest - Adjustment of**  
6 **distribution formula.** At the end of any biennium beginning after June 30, 1997, all revenue  
7 deposited in the general fund during that biennium and derived from taxes imposed on oil and  
8 gas under chapters 57-51 and 57-51.1 which exceeds sixty-two million dollars must be  
9 transferred by the state treasurer to a special fund in the state treasury known as the  
10 permanent oil tax trust fund. At the end of the 1995-97 biennium all revenue deposited in the  
11 general fund during that biennium and derived from taxes imposed on oil and gas under  
12 chapters 57-51 and 57-51.1 which exceeds fifty-four million dollars must be transferred by the  
13 state treasurer to a special fund in the state treasury known as the permanent oil tax trust fund.  
14 The state treasurer shall transfer interest earnings of the permanent oil tax trust fund to the  
15 general fund at the end of each fiscal year. The principal of the permanent oil tax trust fund  
16 may not be expended except upon a two-thirds vote of the members elected to each house of  
17 the legislative assembly.

18 If the distribution formulas under chapter 57-51 or 57-51.1 are amended effective after  
19 June 30, 1997, the director of the budget shall adjust the sixty-two million dollar amount in this  
20 section by the same percentage increase or decrease in the amount of revenue allocable to the  
21 general fund after the change in the allocation formula, and transfers to the permanent oil tax  
22 trust fund shall thereafter be made using that adjusted figure so that the dollar amount of the  
23 transfers to the permanent oil tax trust fund is not increased or decreased merely because of  
24 changes in the distribution formulas.

1           Notwithstanding section 54-27.2-02, the state treasurer shall make the transfers  
2 required by this section before calculating any general fund revenue balance available for  
3 transfer to the budget stabilization fund under chapter 54-27.2. In this section, "at the end of  
4 any biennium" has the same meaning as in section 54-27.2-02.

5           **SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure.