

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-six million three hundred thousand dollars must
13 be transferred by the state treasurer to a special fund in the state treasury known as the
14 permanent oil tax trust fund. The state treasurer shall transfer interest earnings of the
15 permanent oil tax trust fund to the general fund at the end of each fiscal year. The principal of
16 the permanent oil tax trust fund may not be expended except upon a two-thirds vote of the
17 members elected to each house of 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.