

Sixtieth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1457

Introduced by

Representatives Froseth, Dietrich, Kasper, Ruby

Senators Bowman, Tollefson

1 A BILL for an Act to amend and reenact section 57-51.1-07.2 of the North Dakota Century  
2 Code, relating to the balance of the permanent oil tax trust fund and to provide an effective  
3 date.

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

5 **SECTION 1. AMENDMENT.** Section 57-51.1-07.2 of the North Dakota Century Code  
6 is amended and reenacted as follows:

7 **57-51.1-07.2. Permanent oil tax trust fund - Deposits - Interest - Adjustment of**  
8 **distribution formula.** All revenue deposited in the general fund during a biennium derived  
9 from taxes imposed on oil and gas under chapters 57-51 and 57-51.1 which exceeds  
10 seventy-one million dollars must be transferred by the state treasurer to a special fund in the  
11 state treasury known as the permanent oil tax trust fund. Until the principal balance of the  
12 permanent oil tax trust fund reaches one billion dollars, the first one hundred million dollars per  
13 biennium deposited in the fund must be considered part of the principal balance of the fund and  
14 may not be expended for any reason. When the principal balance of the permanent oil tax trust  
15 fund exceeds one billion dollars but does not exceed two billion dollars, the first fifty million  
16 dollars per biennium deposited in the fund must be considered part of the principal balance of  
17 the fund and may not be expended for any reason. The state treasurer shall transfer interest  
18 earnings of the permanent oil tax trust fund to the general fund at the end of each fiscal year.  
19 The principal balance of the permanent oil tax trust fund may not be expended ~~except~~ for any  
20 reason but any amount in the permanent oil tax trust fund which is not considered part of the  
21 principal balance of the fund under this section may be expended upon a two-thirds vote of the  
22 members elected to each house of the legislative assembly.

23 If the distribution formulas under chapter 57-51 or 57-51.1 are amended effective after  
24 June 30, 1997, the director of the budget shall adjust the seventy-one million dollar amount in

1 this section by the same percentage increase or decrease in the amount of revenue allocable  
2 to the general fund after the change in the allocation formula, and transfers to the permanent oil  
3 tax trust fund shall thereafter be made using that adjusted figure so that the dollar amount of  
4 the transfers to the permanent oil tax trust fund is not increased or decreased merely because  
5 of changes in the distribution formulas.

6 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable events occurring after  
7 June 30, 2007.