

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO.

Introduced by

Representative Drovdal

1 A BILL for an Act to amend and reenact subsection 3 of section 57-51-15 of the North Dakota
2 Century Code, relating to apportionment of the oil and gas gross production tax.

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

4 **SECTION 1. AMENDMENT.** Subsection 3 of section 57-51-15 of the North Dakota
5 Century Code, as effective after July 31, 2008, is amended and reenacted as follows:

6 3. ~~Forty five~~ Eighty percent of all revenues as may by the legislative assembly be
7 allocated to any county hereunder must be credited by the county treasurer to the
8 county general fund. ~~Thirty five percent of all revenues allocated to any county~~
9 ~~must be apportioned by the county treasurer no less than quarterly to school~~
10 ~~districts within the county on the average daily attendance distribution basis, as~~
11 ~~certified to the county treasurer by the county superintendent of schools. However,~~
12 ~~no school district may receive in any single academic year an amount under this~~
13 ~~subsection greater than the county average per student cost multiplied by seventy~~
14 ~~percent, then multiplied by the number of students in average daily attendance or~~
15 ~~the number of children of school age in the school census for the county,~~
16 ~~whichever is greater. Provided, however, that in any county in which the average~~
17 ~~daily attendance or the school census, whichever is greater, is fewer than four~~
18 ~~hundred, the county is entitled to one hundred twenty percent of the county~~
19 ~~average per student cost multiplied by the number of students in average daily~~
20 ~~attendance or the number of children of school age in the school census for the~~
21 ~~county, whichever is greater. Once this level has been reached through~~
22 ~~distributions under this subsection, all excess funds to which the school district~~
23 ~~would be entitled as part of its thirty five percent share must be deposited instead~~
24 ~~in the county general fund. The county superintendent of schools of each~~

~~oil-producing county shall certify to the county treasurer by July first of each year~~
~~the amount to which each school district is limited pursuant to this subsection. As~~
~~used in this subsection, "average daily attendance" means the average daily~~
~~attendance for the school year immediately preceding the certification by the~~
~~county superintendent of schools required by this subsection.~~ Twenty percent of
all revenues allocated to any county hereunder must be paid no less than quarterly
by the state treasurer to the incorporated cities of the county based upon the
population of each incorporated city according to the last official decennial federal
census. Once this level has been reached through distributions under this
subsection, all excess funds to which any city would be entitled except for this
limitation must be deposited instead in that county's general fund. Provided,
however, that in determining the population of any city in which total employment
increases by more than two hundred percent seasonally due to tourism, the
population of that city for purposes of determining the per capita limitation in this
section must be increased by adding to the population of the city as determined by
the last official decennial federal census a number to be determined as follows:

- a. Seasonal employees of state and federal tourist facilities within five miles
[8.05 kilometers] of the city must be included by adding the months all such
employees were employed during the prior year and dividing by twelve.
- b. Seasonal employees of all private tourist facilities within the city and seasonal
employees employed by the city must be included by adding the months all
such employees were employed during the prior year and dividing by twelve.
- c. The number of visitors to the tourist attraction within the city or within five
miles [8.05 kilometers] of the city which draws the largest number of visitors
annually must be included by taking the smaller of either of the following:
 - (1) The total number of visitors to that tourist attraction the prior year
divided by three hundred sixty-five; or
 - (2) Four hundred twenty.