

Sixty-second  
Legislative Assembly  
of North Dakota

**SENATE BILL NO. 2047**

Introduced by

Legislative Management

(Taxation Committee)

A BILL for an Act ~~to create and enact a new section to chapter 54-11 of the North Dakota Century Code, relating to reporting of information on allocations of oil and gas gross production tax, federal flood control mineral leasing, and any other oil and gas-related revenues allocated to political subdivisions by the state treasurer;~~ to amend and reenact section 21-06-10 of the North Dakota Century Code, relating to allocation of revenues from the leasing of federal flood control lands; ~~and~~ to provide an effective date; and to declare an emergency.

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

**SECTION 1. AMENDMENT.** Section 21-06-10 of the North Dakota Century Code is amended and reenacted as follows:

**21-06-10. Moneys received through leasing of lands acquired by United States for flood control** ~~distributed~~through grants ~~to counties for schools and roads, school districts, and townships.~~

The state treasurer shall ~~pay~~transfer the moneys allocated to the state under 33 U.S.C. 701(c)(3) to the oil and gas impact grant fund, to be held in a special account within that fund and made available through grants by the energy development impact office only for the benefit of oil and gas development-impacted townships, school districts, or county government in the counties ~~entitled to receive them in proportion to the area of the land in the county~~in which land ~~has been~~ acquired by the United States for which compensation is being provided under 33 U.S.C. 701(c)(3) ~~as that area bears to the total of these federal lands in the state.~~ A county receiving an allocation under this section shall disburse the moneys received as follows:

1. ~~One-half must be paid to the school districts in the county which have lost land subject to taxation because of the acquisition of lands by the United States for which compensation is being provided under 33 U.S.C. 701(c)(3) in proportion to the area of these federal lands in each district as that area bears to the total of such lands in all of~~

the school districts in the county. If, however, all of the land in a district has been acquired by the United States, that district's proportionate share of the funds allocated under this subsection must be paid into the county tuition fund and expended according to the law governing that fund.

2. One-quarter must be paid to the county for road purposes to be expended as the county commissioners shall determine.

3. The final quarter must be allocated among the organized townships, if any, which have lost land subject to taxation because of land acquisitions by the United States for which compensation is being provided under 33 U.S.C. 701(c)(3) and the county for road purposes in proportion to the area of these lands in each township as that area bears to the total area of these federal lands in the county. The county must be allocated a similar proportionate share based on the area of these lands in the county not within an organized township.

This section applies to all funds heretofore received or to be received by the counties entitled thereto.

**SECTION 2.** A new section to chapter 54-11 of the North Dakota Century Code is created and enacted as follows:

**Oil and gas-related information reporting.**

The state treasurer shall report to the chairman of the legislative management by the tenth working day of each month the amount distributed during the immediately preceding month to each political subdivision for oil and gas gross production tax allocations, allocations under 33 U.S.C. 701(c)(3), or any other oil and gas-related allocations made by the state treasurer to political subdivisions.

**SECTION 2. EFFECTIVE DATE.** Section 1 of this Act is effective for revenue allocated to the state under 33 U.S.C. 701(c)(3) after July 31, 2011. Section 2 of this Act becomes effective August 1, 2011.

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.