

Sixty-sixth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2223

Introduced by

Senators J. Lee, Luick, Mathern

Representatives Dockter, Hanson, Weisz

1 A BILL for an Act to create and enact a new section to chapter 57-51.1 of the North Dakota
2 Century Code, relating to a health and human services stabilization fund; to amend and reenact
3 section 57-51.1-07 of the North Dakota Century Code, relating to allocation of moneys in the oil
4 extraction tax development fund; and to provide a continuing appropriation.

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

6 **SECTION 1.** A new section to chapter 57-51.1 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Health and human services stabilization fund - Deposits - Continuing appropriation.**

9 There is established a special fund in the state treasury to be known as the health and
10 human services stabilization fund. All moneys deposited in the health and human services
11 stabilization fund pursuant to section 57-51.1-07 or by other legislative action are available for
12 the purposes identified in this section.

13 1. Moneys in the health and human services stabilization fund are appropriated and may
14 be expended upon order of the governor only to offset reductions in state general fund
15 appropriations for the state department of health and the department of human
16 services, which were made by executive action pursuant to law, due to a revenue
17 shortage.

18 2. Whenever the balance of the health and human services stabilization fund exceeds
19 fifteen percent of the general fund appropriation for the state department of health and
20 the department of human services, for the most recently completed biennium, as
21 determined by the office of management and budget, the legislative assembly may
22 appropriate or transfer any excess for health-related and human services-related
23 purposes, as provided by law.

1 **SECTION 2. AMENDMENT.** Section 57-51.1-07 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **57-51.1-07. Allocation of moneys in oil extraction tax development fund. (Effective**
4 **through July 31, 2019)**

5 Moneys deposited in the oil extraction tax development fund must be transferred monthly by
6 the state treasurer as follows:

7 1. Twenty percent must be allocated and credited to the sinking fund established for
8 payment of the state of North Dakota water development bonds, southwest pipeline
9 series, and any moneys in excess of the sum necessary to maintain the accounts
10 within the sinking fund and for the payment of principal and interest on the bonds must
11 be credited to a special trust fund, to be known as the resources trust fund. The
12 resources trust fund must be established in the state treasury and the funds therein
13 must be deposited and invested as are other state funds to earn the maximum amount
14 permitted by law which income must be deposited in the resources trust fund. Three
15 percent of the amount credited to the resources trust fund must be transferred no less
16 than quarterly into the renewable energy development fund, not to exceed three
17 million dollars per biennium. One-half of one percent of the amount credited to the
18 resources trust fund must be transferred no less than quarterly into the energy
19 conservation grant fund not to exceed two hundred thousand dollars per biennium.
20 The principal and income of the resources trust fund may be expended only pursuant
21 to legislative appropriation and are available to:

22 a. The state water commission for planning for and construction of water-related
23 projects, including rural water systems. These water-related projects must be
24 those which the state water commission has the authority to undertake and
25 construct pursuant to chapter 61-02.

26 b. The industrial commission for the funding of programs for development of
27 renewable energy sources; for studies for development of cogeneration systems
28 that increase the capacity of a system to produce more than one kind of energy
29 from the same fuel; for studies for development of waste products utilization; and
30 for the making of grants and loans in connection therewith.

1 c. The department of commerce for the funding of programs for development of
2 energy conservation and for the making of grants and loans relating to energy
3 conservation.

4 2. Twenty percent must be allocated to the common schools trust fund and foundation
5 aid stabilization fund as provided in section 24 of article X of the Constitution of North
6 Dakota.

7 3. Thirty percent must be allocated to the legacy fund as provided in section 26 of
8 article X of the Constitution of North Dakota.

9 4. Thirty percent must be allocated and credited to the state's general fund.

10 **Allocation of moneys in oil extraction tax development fund. (Effective after July 31,**
11 **2019)** Moneys deposited in the oil extraction tax development fund must be transferred monthly
12 by the state treasurer as follows:

13 1. Twenty percent must be allocated and credited to the sinking fund established for
14 payment of the state of North Dakota water development bonds, southwest pipeline
15 series, and any moneys in excess of the sum necessary to maintain the accounts
16 within the sinking fund and for the payment of principal and interest on the bonds must
17 be credited to a special trust fund, to be known as the resources trust fund. The
18 resources trust fund must be established in the state treasury and the funds therein
19 must be deposited and invested as are other state funds to earn the maximum amount
20 permitted by law which income must be deposited in the resources trust fund. Three
21 percent of the amount credited to the resources trust fund must be transferred no less
22 than quarterly into the renewable energy development fund, not to exceed three
23 million dollars per biennium. One-half of one percent of the amount credited to the
24 resources trust fund must be transferred no less than quarterly into the energy
25 conservation grant fund not to exceed one million two hundred thousand dollars per
26 biennium. The principal and income of the resources trust fund may be expended only
27 pursuant to legislative appropriation and are available to:

28 a. The state water commission for planning for and construction of water-related
29 projects, including rural water systems. These water-related projects must be
30 those which the state water commission has the authority to undertake and
31 construct pursuant to chapter 61-02; and

- 1 b. The industrial commission for the funding of programs for development of
2 renewable energy sources; for studies for development of cogeneration systems
3 that increase the capacity of a system to produce more than one kind of energy
4 from the same fuel; for studies for development of waste products utilization; and
5 for the making of grants and loans in connection therewith.
- 6 c. The department of commerce for the funding of programs for development of
7 energy conservation and for the making of grants and loans relating to energy
8 conservation.
- 9 2. Twenty percent must be allocated to the common schools trust fund and foundation
10 aid stabilization fund as provided in section 24 of article X of the Constitution of North
11 Dakota.
- 12 3. Thirty percent must be allocated to the legacy fund as provided in section 26 of
13 article X of the Constitution of North Dakota.
- 14 4. ~~Thirty~~Twenty-five percent must be allocated and credited to the state's general fund.
- 15 5. Five percent must be allocated and credited to the health and human services
16 stabilization fund.