

**FIRST ENGROSSMENT
with House Amendments**

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2051

Introduced by

Legislative Council

(Taxation Committee)

1 A BILL for an Act to amend and reenact section 57-51.1-07.3 of the North Dakota Century
2 Code, relating to oil and gas research fund deposits; and to provide for a legislative council
3 study.

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

5 **SECTION 1. AMENDMENT.** Section 57-51.1-07.3 of the North Dakota Century Code
6 is amended and reenacted as follows:

7 **57-51.1-07.3. Oil and gas research fund - Deposits - Continuing appropriation.**

8 There is established a special fund in the state treasury to be known as the oil and gas
9 research fund. Two percent of the state's share of the oil and gas gross production tax and oil
10 extraction tax revenues, up to ~~three~~ four million dollars per biennium, must be deposited into
11 the oil and gas research fund. The state treasurer shall transfer into the oil and gas research
12 fund two percent of the state's share of the oil and gas production tax and the oil extraction tax
13 revenues for the previous three months. All moneys deposited in the oil and gas research fund
14 and interest on all such moneys are appropriated as a continuing appropriation to the council to
15 be used for purposes stated in chapter 54-17.6.

16 **SECTION 2. LEGISLATIVE COUNCIL STUDY.** During the 2009-10 interim, the
17 legislative council shall consider studying impact and taxation issues relating to production of
18 mineral resources in North Dakota, specifically including:

- 19 1. Development of relatively new industries for extraction and production of minerals
20 such as uranium, potash, and other minerals not previously produced on a
21 significant economic scale;
- 22 2. Environmental, economic, and governmental impact of mineral production;
- 23 3. Infrastructure maintenance and development relating to mineral production;
- 24 4. Employment opportunities and issues relating to mineral production;

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- 1 5. Comparison of mineral tax structures in North Dakota and other states; and
- 2 6. Water supplies and demands relating to mineral production.
- 3 The legislative council shall reports it findings and recommendations, together with any
- 4 legislation required to implement the recommendations, to the sixty-second legislative
- 5 assembly.