

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1140

Introduced by

Government and Veterans Affairs Committee

(At the request of the State Treasurer)

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 transfer of oil and gas gross production tax and oil extraction tax
3 revenues.

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. (Contingent repeal - See note) Permanent oil tax trust fund -**

8 **Deposits - Interest - Adjustment of distribution formula.** ~~All revenue deposited in the~~
9 ~~general fund during a biennium~~ The state treasurer shall deposit seventy-one million dollars of
10 revenue derived from taxes imposed on oil and gas under chapters 57-51 and 57-51.1 ~~which~~
11 ~~exceeds~~ into the general fund. Revenue exceeding seventy-one million dollars must be
12 ~~transferred~~ deposited by the state treasurer ~~to a special fund in the state treasury known as in~~
13 ~~the permanent oil tax trust fund.~~ Interest earnings of
14 the permanent oil tax trust fund must be credited to the general fund ~~at the end of each fiscal~~
15 ~~year.~~ The principal of the permanent oil tax trust fund may not be expended except upon a
16 two-thirds vote of the members elected to each house of the legislative assembly.

17 If the distribution formulas under chapter 57-51 or 57-51.1 are amended effective after
18 June 30, 1997, the director of the budget shall adjust the seventy-one million dollar amount in
19 this section by the same percentage increase or decrease in the amount of revenue allocable
20 to the general fund after the change in the allocation formula, and transfers to the permanent oil
21 tax trust fund shall thereafter be made using that adjusted figure so that the dollar amount of
22 the transfers to the permanent oil tax trust fund is not increased or decreased merely because
23 of changes in the distribution formulas.