

Introduced by

Representatives Kroeber, Wall, Kaldor

Senator Heckaman

1 A concurrent resolution for the amendment of section 24 of article X of the Constitution of North
2 Dakota, relating to the permitted growth of the foundation aid stabilization fund.

3 **STATEMENT OF INTENT**

4 This measure provides that if the deposits of oil extraction tax revenues into the foundation aid
5 stabilization fund would cause the fund to increase by more than two percent each year, the
6 excess amount must be deposited in the common schools trust fund.

7 **BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE**
8 **SENATE CONCURRING THEREIN:**

9 That the following proposed amendment to section 24 of article X of the Constitution of
10 North Dakota is agreed to and must be submitted to the qualified electors of North Dakota at the
11 primary election to be held in 2012, in accordance with section 16 of article IV of the
12 Constitution of North Dakota.

13 **SECTION 1. AMENDMENT.** Section 24 of article X of the Constitution of North Dakota is
14 amended and reenacted as follows:

15 **Section 24.**

16 1. Twenty percent of the revenue from oil extraction taxes from taxable oil produced in
17 this state must be allocated as follows:

18 ~~4. a.~~ a. Fifty percent must be deposited in the common schools trust fund;and

19 ~~2. b.~~ b. Fifty percent must be deposited in the foundation aid stabilization fund in the
20 state treasury,~~the interest.~~

21 2. Whenever the foundation aid stabilization fund reaches a level of one hundred million
22 dollars, the foundation aid stabilization fund may not be allowed to grow by more than
23 two percent per year. If in any year the amount to be deposited under this section
24 would cause the foundation aid stabilization fund to exceed its permitted rate of
25 growth, the excess revenue must be deposited in the common schools trust fund.

- 1 3. The income of which from the foundation aid stabilization fund may be expended upon
2 order of the governor to meet any shortfalls in amounts appropriated for elementary
3 and secondary education during a given biennium and any income not so expended
4 must be transferred to the state general fund on July first of each odd-numbered year.
- 5 4. The principal of the foundation aid stabilization fund may be expended only upon order
6 of the governor, who may direct such a transfer only to offset foundation aid reductions
7 that were made by executive action pursuant to law due to a revenue shortage.