

Introduced by

1 A BILL for an Act to create and enact a new section to chapter 54-44.1 of the North Dakota
2 Century Code, relating to appropriation of a portion of state oil and gas tax revenue exceeding
3 forecasted amounts for distribution in the second year of the state biennium to supplement oil
4 and gas gross production tax funding to political subdivisions; and to provide a contingent
5 appropriation.

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

7 **SECTION 1.** A new section to chapter 54-44.1 of the North Dakota Century Code is created
8 and enacted as follows:

9 **Determination of oil and gas tax revenues exceeding legislative forecast - Allocation.**

10 By March first of each even-numbered year, the tax commissioner shall determine the
11 amount by which state oil and gas gross production tax and oil extraction tax actual revenues
12 from taxable events during the period from July first through December thirty-first of the
13 immediately preceding year exceed the forecasted amount of those revenues as contained in
14 the legislative forecast prepared at the conclusion of the most recent regular session of the
15 legislative assembly. The tax commissioner shall certify the amount of state oil and gas gross
16 production tax and oil extraction tax actual revenues exceeding the legislative forecast as
17 determined under this section to the state treasurer.

18 If the certified amount of state oil and gas gross production tax and oil extraction tax actual
19 revenues exceeds the legislative forecast as determined under this section by twenty percent or
20 more, the state treasurer shall allocate funds provided by legislative appropriation from the
21 strategic investment and improvements fund among political subdivisions in proportion to the
22 allocations among political subdivisions under section 57-51-15 for the month in which the
23 allocation is made.

1 The amount allocated under this section must be distributed in approximately equal monthly
2 amounts for the period beginning April 1, 2016, and ending June 30, 2017. The amounts
3 allocated under this section must not be considered as revenue received by political
4 subdivisions for purposes of chapter 57-51.

5 **SECTION 2. CONTINGENT APPROPRIATION.** If the amount of state oil and gas gross
6 production tax and oil extraction tax actual revenues exceeds the legislative forecast as
7 determined under section 1 of this Act, there is appropriated out of any moneys in the strategic
8 investment and improvements fund in the state treasury, not otherwise appropriated, the sum of
9 \$200,000,000, or so much of the sum as may be necessary, to the state treasurer for the
10 purpose of allocation among political subdivisions as provided in section 1 of this Act for the
11 period beginning April 1, 2016, and ending June 30, 2017.