

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1186

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a pilot project regarding oil and gas tax revenue hedging; to provide for a report to the legislative management; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. OIL AND GAS TAX REVENUE HEDGING PILOT PROJECT - ADVISORY COMMITTEE - REPORT TO LEGISLATIVE MANAGEMENT. During the 2019-20 interim, an advisory committee shall oversee a pilot project regarding oil and gas tax revenue hedging. At the direction of the advisory committee and using funds in an oil and gas tax revenue hedging fund at the Bank of North Dakota, the Bank shall enter swap agreements or any other hedging strategies with designated counterparts approved by the advisory committee. The execution of hedging strategies must be designed to offset reduced state general fund oil and gas tax revenues due to oil and gas prices falling below selected levels included in the legislative revenue forecast at the conclusion of the most recently adjourned legislative assembly. The members of the advisory committee are entitled to receive reimbursement for reasonable and necessary expenses incurred while performing duties for the advisory committee at the same level as state officials. The advisory committee shall report the results of the pilot project and any recommendations regarding oil and gas tax revenue hedging to the legislative management before August 1, 2020. The advisory committee is composed of:

1. Two members chosen by the North Dakota petroleum council;
2. The director of the office of management and budget;
3. One member of the legislative assembly appointed by the majority leader of the senate;
4. One member of the legislative assembly appointed by the majority leader of the house of representatives;
5. One representative of the Bank of North Dakota;
6. The executive director of the Indian affairs commission; and
7. The agriculture commissioner.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of conducting the pilot project regarding oil and gas tax revenue hedging, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Re-number accordingly