

SENATE BILL NO. 2178

Introduced by

Senators Bowman, Lyson, O'Connell

Representatives S. Meyer, Skarphol

1 A BILL for an Act to amend and reenact subsection 2 of section 57-51-15 of the North Dakota
2 Century Code, relating to an apportionment of oil and gas gross production tax revenues; and
3 to provide an effective date.

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

5 **SECTION 1. AMENDMENT.** Subsection 2 of section 57-51-15 of the North Dakota
6 Century Code, as effective after June 30, 2007, is amended and reenacted as follows:

7 2. The first one million dollars of annual revenue after the deduction of the amount
8 provided for in subsection 1 from oil or gas produced in any county must be
9 allocated seventy-five percent to that county and twenty-five percent to the state
10 general fund. The second one million dollars of annual revenue after the deduction
11 of the amount provided for in subsection 1 from oil or gas produced in any county
12 must be allocated fifty percent to that county and fifty percent to the state general
13 fund. All annual revenue after the deduction of the amount provided for in
14 subsection 1 above two million dollars from oil or gas produced in any county must
15 be allocated twenty-five percent to that county and seventy-five percent to the state
16 general fund. However, the amount to which each county is entitled pursuant to
17 this subsection must be limited based upon the population of the county according
18 to the last official decennial federal census as follows:

19 a. Counties having a population of three thousand or less shall receive no more
20 than ~~three~~ eight million nine hundred thousand dollars for each fiscal year.

21 b. Counties having a population of over three thousand but less than six
22 thousand shall receive no more than ~~four~~ nine million one hundred thousand
23 dollars for each fiscal year.

1 c. Counties having a population of six thousand or more shall receive no more
2 than ~~four~~ nine million six hundred thousand dollars for each fiscal year.
3 Any allocations for any county pursuant to this subsection which exceed the
4 applicable limitation for that county as provided in subdivisions a through c must be
5 deposited instead in the state's general fund.

6 **SECTION 2. EFFECTIVE DATE.** This Act is effective for allocations of oil and gas
7 gross production tax revenues occurring after June 30, 2007.