

**CHAPTER 641****SENATE CONCURRENT RESOLUTION NO. 4011**

(Senators Yockim, Freborg, Redlin)  
(Representatives Soukup, Tollefson, Kaldor)

**OIL EXTRACTION TAX REVENUES**

Senate Concurrent Resolution No. 4011, Chapter 663, 1993 Session Laws, proposed by the Fifty-third Legislative Assembly of the State of North Dakota, to create and enact a new section to article X of the Constitution of North Dakota, relating to deposit of certain oil extraction tax revenues in the common schools trust fund and the foundation aid stabilization fund and providing for use of the principal and income of the foundation aid stabilization fund; and to provide an effective date.

**STATEMENT OF INTENT**

This measure requires a portion of oil extraction tax revenues to be deposited in the common schools trust fund and an equal portion to be deposited in the foundation aid stabilization fund, with income of the foundation aid stabilization fund to be transferred to the state general fund. Beginning July 1, 1995, the amount of extraction tax revenue deposited in the two funds pursuant to this measure would equal twenty percent of the extraction tax revenue from taxable oil produced in the state.

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

That the following proposed new section to article X of the Constitution of North Dakota is agreed to and must be submitted to the qualified electors of North Dakota at the general election to be held in 1994, in accordance with section 16 of article IV of the Constitution of North Dakota.

**SECTION 1.** A new section to article X of the Constitution of North Dakota is created and enacted as follows:

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

1. Fifty percent must be deposited in the common schools trust fund.
2. Fifty percent must be deposited in the foundation aid stabilization fund in the state treasury, the interest income of which must be transferred to the state general fund on July first of each year. The principal of the foundation aid stabilization fund may be expended only upon order of the governor, who may direct such a transfer only to offset foundation aid reductions that were made by executive action pursuant to law due to a revenue shortage.

**SECTION 2. EFFECTIVE DATE.** If approved by the electors, this measure is effective for tax revenue from oil and gas produced after June 30, 1995.

Approved November 8, 1994

159,034 to 53,614

NOTE: This was measure No. 1 on the general election ballot.