

Sixty-first  
Legislative Assembly  
of North Dakota

**HOUSE BILL NO.**

Introduced by

Representative Drovdal

1 A BILL for an Act to amend and reenact subsection 1 of section 57-51-15 and section 57-62-06  
2 of the North Dakota Century Code, relating to apportionment and use of the proceeds of the oil  
3 and gas gross production tax.

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

5 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-51-15 of the North Dakota  
6 Century Code is amended and reenacted as follows:

7 1. First the tax revenue collected under this chapter equal to one percent of the gross  
8 value at the well of the oil and one-fifth of the tax on gas must be deposited with  
9 the state treasurer who shall credit thirty-three and one-third percent of the  
10 revenues to the oil and gas impact grant fund, ~~but not in an amount exceeding six~~  
11 ~~million dollars per biennium~~, including any amounts otherwise appropriated for oil  
12 and gas impact grants for the biennium by the legislative assembly, and who shall  
13 credit the remaining revenues to the state general fund.

14 **SECTION 2. AMENDMENT.** Section 57-62-06 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **57-62-06. Legislative intent and guidelines on impact grants.** The legislative  
17 assembly intends that the moneys appropriated to, and distributed by, the energy development  
18 impact office for grants are to be used by grantees to meet initial impacts affecting basic  
19 governmental services, and directly necessitated by coal development and oil and gas  
20 development impact; however, the energy development impact office shall give priority to  
21 projects funded from the oil and gas production tax to transportation infrastructure projects. As  
22 used in this section, "basic governmental services" do not include activities relating to marriage  
23 or guidance counseling, services or programs to alleviate other sociological impacts, or services

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- 1 or facilities to meet secondary impacts. All grant applications and presentations to the energy
- 2 development impact office must be made by an appointed or elected government official.