

HOUSE CONCURRENT RESOLUTION NO.

Introduced by

Representatives Griffin, Mock

1 A concurrent resolution to create and enact a new section to article X of the Constitution of
2 North Dakota, relating to establishment and use of an oil tax trust fund; and to provide an
3 effective date.

4 **STATEMENT OF INTENT**

5 This measure establishes an oil tax trust fund and imposes limitations on use of moneys in the
6 fund.

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

9 That the following proposed new section to article X of the Constitution of North Dakota
10 is agreed to and must be submitted to the qualified electors of North Dakota at the general
11 election to be held in 2010, in accordance with section 16 of article IV of the Constitution of
12 North Dakota.

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

- 15 1. Fifty percent of the state's share of revenue derived from taxes on oil and gas
16 production or extraction, but not more than one hundred fifty million dollars during a
17 biennium, must be transferred by the state treasurer to a special fund in the state
18 treasury known as the oil tax trust fund. The state treasurer shall transfer interest
19 earnings of the oil tax trust fund to the general fund at the end of each fiscal year.
20 The principal of the oil tax trust fund may not be expended except upon a vote of
21 two-thirds or more of the members elected to each house of the legislative
22 assembly and not more than forty percent of the principal may be expended during
23 any biennium.
- 24 2. Beginning in 2013, at the beginning of each biennium the state treasurer shall
25 adjust the dollar amount limitation under this section for transfers to the oil tax trust

1 fund by applying to that amount the rate of change since the beginning of the
2 previous biennium in the consumer price index for all urban consumers, all items,
3 United States city average, or any successor index, as calculated by the United
4 State department of labor, bureau of labor statistics.

5 3. For purposes of this section, "state's share" of revenue derived from taxes on oil
6 and gas production or extraction means all oil and gas gross production and oil
7 extraction tax revenues except those revenues allocated by constitutional or
8 statutory provisions to impact grants, political subdivisions, the oil and gas
9 research fund, water development bond principal and interest payments and the
10 resources trust fund, the common schools trust fund, and the foundation aid
11 stabilization fund.

12 **SECTION 2. EFFECTIVE DATE.** If approved by the voters, this measure becomes
13 effective on July 1, 2011.