

Sixty-first
Legislative Assembly
of North Dakota

SENATE CONCURRENT RESOLUTION NO.

Introduced by

Senator Potter

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 a North Dakota
3 student scholarship fund; and to provide an effective date.

4 **STATEMENT OF INTENT**

5 This measure establishes an oil tax trust fund and a North Dakota student scholarship fund and
6 imposes limitations on use of moneys in the funds.

7 **BE IT RESOLVED BY THE SENATE OF NORTH DAKOTA, THE HOUSE OF**
8 **REPRESENTATIVES 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. Twenty-five percent of the state's share of revenue derived from taxes on oil and
16 gas production or extraction must be transferred by the state treasurer to a special
17 fund in the state treasury known as the oil tax trust fund. The state treasurer shall
18 transfer interest earnings of the oil tax trust fund to the North Dakota student
19 scholarship fund at the end of each fiscal year. The principal of the oil tax trust
20 fund may not be expended.
- 21 2. The North Dakota student scholarship fund may be used as provided by law to
22 provide scholarships to institutions of higher education in North Dakota for
23 graduates of North Dakota high schools. The state treasurer shall transfer
24 unexpended and unobligated amounts in the North Dakota student scholarship
25 fund at the end of each fiscal year to the state general fund.

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

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