

Introduced by

Representatives Delzer, Monson, Streyle

Senators Lyson, Schaible

1 A concurrent resolution ~~to create and enact two new sections to article X of the Constitution of~~
2 ~~North Dakota, relating to the foundation aid stabilization fund and the public employees-~~
3 ~~retirement stabilization fund; and~~ to amend and reenact section 24 of article X of the
4 Constitution of North Dakota, relating to ~~the foundation aid stabilization fund~~allocation of
5 revenue from oil extraction taxes.

6 **STATEMENT OF INTENT**

7 This measure ~~limits the growth of~~provides for the deposit of certain oil extraction taxes into the
8 state retirement stabilization fund and the foundation aid stabilization fund and ~~directs that~~
9 ~~excess revenues be transferred to the public employees retirement stabilization fund~~provides
10 for the determination of balances in each fund.

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

13 That the following proposed ~~two new sections to article X and the~~ amendment to section 24
14 of article X of the Constitution of North Dakota ~~are~~is agreed to and must be submitted to the
15 qualified electors of North Dakota at the general election to be held in 2014, in accordance with
16 section 16 of article IV of the Constitution of North Dakota.

17 ~~SECTION 1. AMENDMENT. Section 24 of article X of the Constitution of North Dakota is~~
18 ~~amended and reenacted as follows:~~

19 ~~Section 24. Twenty percent of the revenue from oil extraction taxes from taxable oil~~
20 ~~produced in this state must be allocated as follows:~~

21 ~~1. Fifty percent must be deposited in the common schools trust fund.~~

22 ~~2. Fifty percent must be deposited in the foundation aid stabilization fund in the state~~
23 ~~treasury, the interest income of which must be transferred to the state general fund on~~
24 ~~July first of each year. The principal of the foundation aid stabilization fund may be~~
25 ~~expended only upon order of the governor, who may direct such a transfer only to~~

1 ~~offset foundation aid reductions that were made by executive action pursuant to law~~
2 ~~due to a revenue shortage.state retirement stabilization fund and the foundation aid~~
3 ~~stabilization fund-~~

4 ~~— **SECTION 2.** A new section to article X of the Constitution of North Dakota is created and~~
5 ~~enacted as follows:~~

6 ~~— 1. The balance of moneys in the foundation aid stabilization fund may not exceed one~~
7 ~~hundred fifty million dollars.~~

8 ~~— 2. Whenever the balance of moneys in the foundation aid stabilization fund reaches one~~
9 ~~hundred fifty million dollars, any excess moneys must be transferred to the public~~
10 ~~employees retirement stabilization fund and no additional moneys may be deposited in~~
11 ~~the foundation aid stabilization fund until the balance in the foundation aid stabilization~~
12 ~~fund falls below one hundred million dollars.~~

13 ~~— 3. If the balance of moneys in the foundation aid stabilization fund falls below one~~
14 ~~hundred million dollars, the deposits required by section 24 of article X, together with~~
15 ~~any interest and income, must be retained in the foundation aid stabilization fund until~~
16 ~~the balance is again one hundred fifty million dollars.~~

17 ~~— 4. Moneys in the foundation aid stabilization fund may be expended only by the governor~~
18 ~~and only for the purpose of offsetting reductions in state aid to elementary and~~
19 ~~secondary education which were made by executive action pursuant to law due to a~~
20 ~~revenue shortage.~~

21 ~~— **SECTION 3.** A new section to article X of the Constitution of North Dakota is created and~~
22 ~~enacted as follows:~~

23 ~~— 1. The balance of moneys in the public employees retirement stabilization fund may not~~
24 ~~exceed four hundred fifty million dollars.~~

25 ~~— 2. Whenever the balance of moneys in the public employees retirement stabilization fund~~
26 ~~reaches four hundred fifty million dollars, any excess moneys must be transferred to~~
27 ~~the state general fund and used first to provide state aid to elementary and secondary~~
28 ~~education.~~

29 ~~— 2. Moneys in the public employees retirement stabilization fund may be expended by the~~
30 ~~legislative assembly only for the purpose of addressing any unfunded retirement~~

~~benefit obligations payable by the state to members of the public employees-
retirement system.~~

SECTION 1. Section 24 of article X of the Constitution of North Dakota is amended and reenacted as follows:

Section 24.

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

~~1. a.~~ Fifty percent must be deposited in the common schools trust fund;

~~2.~~ Fifty

b. Thirty percent must be deposited in the state retirement stabilization fund; and

c. Twenty percent must be deposited in the foundation aid stabilization fund ~~in the state treasury, the~~

2. Moneys in the state retirement stabilization fund may be expended by the legislative assembly only for the purpose of addressing unfunded retirement benefit obligations to which members of state retirement systems may be entitled. The balance of monies to be maintained in the fund must be determined by law.

3. The interest income of ~~which~~ the foundation aid stabilization fund 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.