

Introduced by

Legislative Management

(Government Finance Committee)

1 A concurrent resolution to amend and reenact section 24 of article X of the Constitution of North
2 Dakota, relating to the foundation aid stabilization fund.

3 **STATEMENT OF INTENT**

4 This measure provides for additional purposes for the foundation aid stabilization fund.

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

7 That the following proposed amendment to section 24 of article X of the Constitution of
8 North Dakota is agreed to and must be submitted to the qualified electors of North Dakota at the
9 primary election to be held in June 2016, in accordance with section 16 of article IV of the
10 Constitution of North Dakota.

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

13 **Section 24.** Twenty percent of the revenue from oil extraction taxes from taxable oil
14 produced in this state must be allocated as follows:

- 15 1. Fifty percent must be deposited in the common schools trust fund.
- 16 2. Fifty percent must be deposited in the foundation aid stabilization fund in the state
17 treasury, the interest income of which must be transferred to the state general fund on
18 July first of each year. The principal of the foundation aid stabilization fund may be
19 expended ~~only~~ upon order of the governor, who may direct such a transfer only to
20 offset ~~foundation~~state school aid reductions that were made by executive action
21 pursuant to law due to a revenue shortage. Whenever the principal balance of the
22 foundation aid stabilization fund exceeds fifteen percent of the general fund
23 appropriation for state school aid for the most recently completed biennium as
24 determined by the office of management and budget, the legislative assembly may
25 appropriate or transfer any excess principal balance for the purpose of making low-

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Legislative Assembly

- 1 interest loans for school construction projects, addressing existing or anticipated
- 2 unfunded benefit obligations of state retirement funds, or other education-related
- 3 purposes.