

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~~ expands the purposes for which the foundation aid
5 stabilization fund may be used.

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

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

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

14 **Section 24.**

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

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

18 2. FiftyTen percent of the revenue from oil extraction taxes from taxable oil produced in
19 this state must be deposited in the foundation aid stabilization fund in the state
20 treasury, the interest ~~income~~ of which must be transferred to the state general fund on
21 July first of each year. ~~The~~

22 a. Except as otherwise provided, the principal of the foundation aid stabilization
23 fund may be expended ~~only~~ upon order of the governor, who may direct such a
24 transfer only to offset ~~foundation state school aid~~ reductions ~~that~~ in state aid to

1 school districts, which were made by executive action, pursuant to law, due to a
2 revenue shortage.

3 b. Whenever the principal balance of the foundation aid stabilization fund exceeds
4 fifteen percent of the general fund appropriation for state ~~school-aid to school~~
5 districts, for the most recently completed biennium, as determined by the office of
6 management and budget, the legislative assembly may appropriate or transfer
7 any excess principal balance for the ~~purpose of making~~ purposes of:

8 (1) Providing low-interest loans for school construction projects, ~~addressing~~
9 ~~existing or anticipated unfunded benefit obligations of state retirement~~
10 ~~funds, or other education-related purposes;~~

11 (2) Providing scholarships to residents of this state attending institutions of
12 higher education in this state;

13 (3) Supplementing the common schools trust fund; or

14 (4) Providing state aid to school districts and educationally related property tax
15 relief to school district patrons.