

Brandenburg, Michael D.

From: Mathiak, Adam
Sent: Monday, December 2, 2024 10:40 AM
To: Brandenburg, Michael D.
Subject: Oil Counties

Representative Brandenburg:

As requested, below is a list of the oil and gas producing counties.

Counties that receive more than \$5 million of oil and gas tax revenue allocations - 9 counties

Billings	1
Bowman	2
Burke	3
Divide	4
Dunn	
McKenzie	
Mountrail	
Stark	5
Williams	

Counties that receive up to \$5 million of oil and gas tax revenue allocations - 8 counties

Bottineau
Golden Valley
McHenry
McLean
Mercer
Renville
Slope
Ward

Please let me know if you have any questions or need additional information. Thanks.

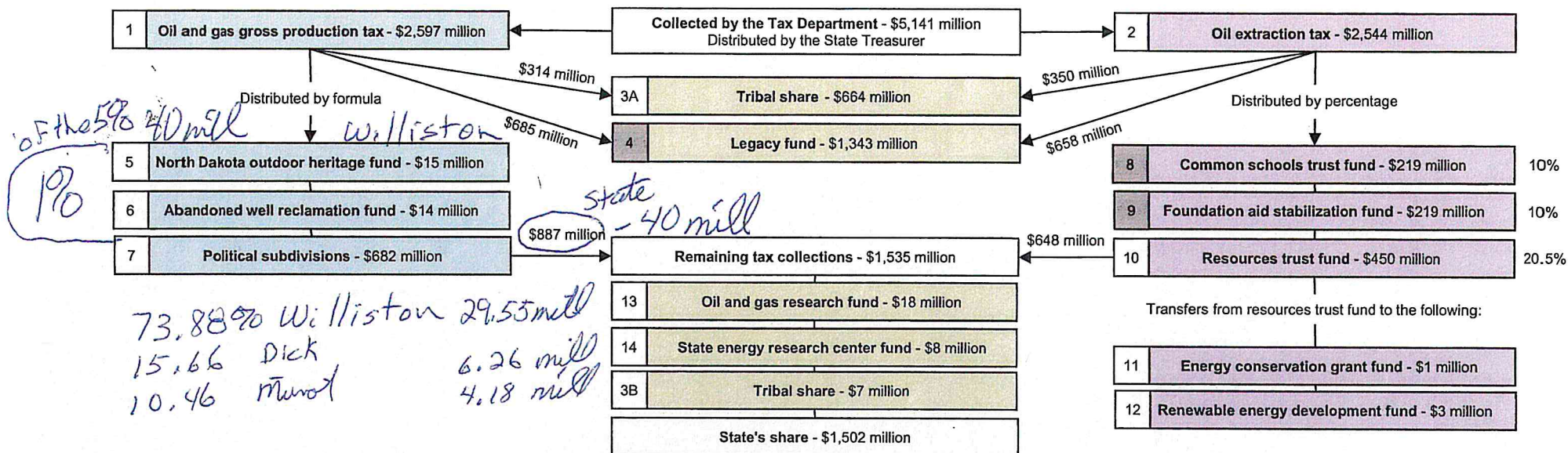


Adam Mathiak

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20% to state

2023-25 BIENNIUM OIL AND GAS TAX REVENUE ALLOCATION FLOWCHART BASED ON THE 2023 LEGISLATIVE REVENUE FORECAST



Summary of Estimated 2023-25 Biennium Allocations		
		Total
3	Tribal share	\$670,450,000
4	Legacy fund	1,343,220,000
5	North Dakota outdoor heritage fund	15,000,000
6	Abandoned well reclamation fund	14,490,000
7	Political subdivisions	682,390,000
8	Common schools trust fund	219,440,000
9	Foundation aid stabilization fund	219,440,000
10	Resources trust fund (net deposits)	445,660,000
11	Energy conservation grant fund	1,200,000
12	Renewable energy development fund	3,000,000
13	Oil and gas research fund	17,500,000
14	State energy research center fund	7,500,000
15	General fund	460,000,000
16	Social services fund	250,000,000
17	Budget stabilization fund	0
18	Lignite research fund	10,000,000
19	State disaster relief fund	12,530,000
20	Strategic investment and improvements fund	453,990,000
21	Public Employees Retirement System fund	65,000,000
22	Municipal infrastructure fund	115,000,000
23	County and township infrastructure fund	115,000,000
24	Airport infrastructure fund	20,000,000
	Total	\$5,140,810,000

15A	General fund - First \$230 million - \$230 million	250	20 mil gov
16	Social services fund - Next \$250 million - \$250 million		
17	Budget stabilization fund - Next \$75 million if the fund balance does not exceed the limit - \$0		
15B	General fund - Next \$230 million - \$230 million	250	20 mil gov
18	Lignite research fund - Next \$10 million - \$10 million		
19	State disaster relief fund - Next \$20 million if fund balance does not exceed \$20 million - \$13 million		
20A	Strategic investment and improvements fund - Next \$400 million - \$400 million	320	Lowered
21	Public Employees Retirement System fund - Next \$65 million - \$65 million		
22	Non-oil-producing political subdivision infrastructure funds - 50 percent - Municipal infrastructure fund - \$115 million	140	
23	50 percent - County and township infrastructure fund - \$115 million	190	280
24	Airport infrastructure fund - Next \$20 million - \$20 million		
20B	Strategic investment and improvements fund - Any remaining revenues - \$54 million		

A summary of the funds is shown on the following page.

The shading in the number boxes represents constitutional allocations

NOTE: The amounts shown are preliminary estimates. The actual amounts allocated for the 2023-25 biennium may differ significantly from these amounts based on actual oil price and oil production.

Brandenburg, Michael D.

From: Beadle, Thomas R. <tbeadle@nd.gov>
Sent: Monday, February 17, 2025 10:39 AM
To: Brandenburg, Michael D.
Subject: PD Buckets hold harmless estimates

Mike,

This is our estimate. I'll let you forward to Adam unless you would like me to, but wanted you to see this first to make sure this is what you were looking for.

By our quick estimates, if we are including the 4 counties that would be below 10m production (and adding enough to hold all political subs harmless to the level when Stark didn't get a distribution since they did not qualify for the 23-25 biennium), we believe Townships portion would need to be increased by \$1.8m, and County bucket by \$10m.

Townships Mileage: roughly 4,442 miles to be held harmless to the 23-25 distribution if we use the proposed mileage formula in HB 1065, we would need an additional \$1.5m in the Township Bucket.

Township Equal Share: If current law stands and we do an equal distribution, these counties would add 187 more townships @ 9,182.99 for a total of **\$1.8 M** needed in the Township Bucket.

Counties based on UPGTI (10/2024): **\$10m** needed in the county bucket to hold harmless.

County/Township Combined bucket **increase from \$115m to appx. \$126.8m to hold harmless.**

Municipal Infrastructure: Would be an additional 21 cities from the 23-25 biennium distribution, with 3 qualifying for the base density amounts (2 at \$125k and 1 at \$2.5m). The base density amount goes out once that first portion fills up, the remainder goes out based on multiple factors including population, growth rates and land valuations. **I would advise increasing the municipal bucket by the same dollar amount as the County/Township bucket as that will be a good approximation of holding harmless.**

Thomas Beadle

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TOWNSHIP FUNDING DATA

Certified Road Miles	Organized	Unorganized	AVG PER TOWNSHIP/BIENNIUM	Avg mill levy taxes per township/biennium	Highway Tax Distribution (2.7%) (per township/biennium)	O&G Tax Revenue Allocations (per township/biennium)	Legacy Earnings Township Highway Aid Fund (per township, per biennium)	NDDOT Flex Fund	"Prairie Dog" O&G revenues
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Total Townships	54,627	1434	611		\$34,778	\$6,601			
Total 1593 non oil									
Non oil-Producing Counties (38)	29,591	1180	413	\$41,379*			\$6,277	22 projects: \$9,974,000	\$9,385 per township/biennium
Oil-Producing Counties (15)	25,036	254	198	\$113,279			\$71,900		

Total 452 oil

UGPTI Study reveals an average of \$3,150 per MILE is required to maintain township roads in non-oil producing counties

UGPTI Study indicates about \$186M per biennium is required to maintain 29,591 miles of township roads in non-oil producing counties

Non-oil producing townships average 18.5 certified road miles; and receive about \$2,237 per mile

AVERAGE COST OF ONE MILE OF GRAVEL (3") IS \$14,000 PER MILE

*One time funding requiring biennial legislative approval is not included

44 counties 1593 non-oil Townships less than 5 mill
 9 counties 452 oil Townships over 5 mill
 33 counties 2045 Township Total statewide

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1593 non oil
+ 187 new oil
1780 new Total

187 Townships

11.7% 12%

2045 Total state wide
- 1780 non oil township
265 oil townships

10.0 mill
+ 1.8 mill

11.8 mill

11.8 mill

Total 23.6 mill



Flex $230 \text{ mill} \times 12\% = \$27,600,000.00$
Total $\$49,360,000.00$

233 mill $\times 11.7\% = 27,261,000$
233 mill $\times 12\% = 27,960,000$

