

ANALYSIS OF THE RESOURCES TRUST FUND 1999-2001 AND 2001-03 BIENNIUMS

	<u>1999-2001 Biennium</u>	<u>2001-03 Biennium</u>
Beginning balance	\$6,733,283	\$14,300,000
Add estimated revenues		
Oil extraction tax collections	\$9,263,686	\$8,846,808
Repayments and reimbursements	2,365,903	1,804,439
Investment earnings/miscellaneous	<u>936,289</u>	<u>368,356</u>
Total estimated revenues	<u>12,565,878</u>	<u>11,019,603</u>
Total available	\$19,299,161	\$25,319,603
Less estimated expenditures		
State Water Commission		
Grants and administration (2001 HB 1023)	2,699,161	21,718,031 ³
Capital construction carryover from the 1997-99 biennium	<u>2,300,000¹</u>	
Total estimated expenditures	<u>4,999,161</u>	<u>21,718,031</u>
Ending balance	<u>\$14,300,000²</u>	<u>\$3,601,572</u>

NOTE: The resources trust fund was created pursuant to passage of measure No. 6 in the November 1980 general election. Measure No. 6 created a 6.5 percent oil extraction tax, 10 percent of which was to be allocated to the resources trust fund. In June 1990 the Constitution of North Dakota was amended to establish the resources trust fund as a constitutional trust fund and provide that the principal and income of the fund could be spent only upon legislative appropriations for:

- Constructing water-related projects, including rural water systems.
- Energy conservation programs.

In November 1994 the voters of North Dakota approved a constitutional amendment, which is now Article X, Section 24, of the Constitution of North Dakota to provide that 20 percent of oil extraction taxes be allocated as follows:

- Fifty percent (of the 20 percent) to the common schools trust fund.
- Fifty percent (of the 20 percent) to the foundation aid stabilization fund.

North Dakota Century Code Section 57-51.1-07 provides that oil extraction tax revenues be distributed as follows:

- Twenty percent to the resources trust fund.
- Twenty percent allocated as provided in Article X, Section 24, of the Constitution of North Dakota.
- Sixty percent to the state general fund.

¹ Capital construction carryover - 1999-2001 - The State Water Commission had \$2.3 million of unexpended 1997-99 biennium appropriation authority carried over to the 1999-2001 biennium for various water projects.

² Ending balance - 1999-2001 - The estimated June 30, 2001, ending balance is anticipated to include approximately \$10.3 million of obligations for the following projects:

Maple River Dam	\$3,500,000
Nesson Valley irrigation	1,300,000
Elk Charbon irrigation	1,000,000
Miscellaneous water projects	<u>4,500,000</u>
Total	<u><u>\$10,300,000</u></u>

³ Estimated expenditures - 2001-03 - House Bill No. 1023 (2001) provides that any 2001-03 resources trust fund revenues in excess of \$21,718,031 are appropriated to the State Water Commission, subject to Emergency Commission approval.