

## ANALYSIS OF THE RESOURCES TRUST FUND 2001-03 AND 2003-05 BIENNIUMS

	<u>2001-03 Biennium</u>	<u>2003-05 Biennium</u>
Beginning balance	\$14,727,288	\$3,695,891
Add estimated revenues		
Oil extraction tax collections	\$8,173,330	\$9,398,037
Repayments and reimbursements	1,815,739	1,800,704
Investment earnings/miscellaneous	<u>697,565</u>	<u>89,962</u>
Total estimated revenues	<u>10,686,634</u>	<u>11,288,703</u>
Total available	\$25,413,922	\$14,984,594
Less estimated expenditures		
State Water Commission		
Grants and administration (2001 HB 1023; 2003 SB 2022)	<u>\$21,718,031<sup>1</sup></u>	<u>\$13,650,000<sup>2</sup></u>
Total estimated expenditures	<u>21,718,031</u>	<u>13,650,000</u>
Ending balance	<u><u>\$3,695,891</u></u>	<u><u>\$1,334,594</u></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.

<sup>1</sup> Section 3 of 2001 House Bill No. 1023 appropriated \$21,718,031 from the resources trust fund to the State Water Commission. The State Water Commission has available 2001-03 biennium spending authority from the water development trust fund and the resources trust fund and has indicated the actual ending balance may be higher depending on the funding source used for remaining water project expenditures.

<sup>2</sup> The Legislative Assembly appropriated \$13,650,000 from the resources trust fund to the State Water Commission for water development projects. Section 10 of Senate Bill No. 2022 provides if 2003-05 biennium revenues are in excess of \$13,650,000, any excess is appropriated to the State Water Commission, subject to Emergency Commission approval.