

ANALYSIS OF THE RESOURCES TRUST FUND FOR THE 2005-07 AND 2007-09 BIENNIUMS

	2005-07 Biennium		2007-09 Biennium	
Beginning balance		\$36,743,173		\$25,665,168
Add estimated revenues				
Oil extraction tax collections	\$25,210,729		\$33,981,165	
Repayments and reimbursements	2,005,000		2,007,000	
Investment earnings/miscellaneous	1,406,266		1,148,600	
Total estimated revenues		28,621,995 ¹		37,136,765
Total available		\$65,365,168		\$62,801,933
Less estimated expenditures and transfers				
State Water Commission - Grants and administration	\$39,700,000 ¹		\$62,801,933 ²	
Total estimated expenditures and transfers		39,700,000		62,801,933
Estimated ending balance		\$25,665,168		\$0

¹Section 4 of House Bill No. 1021 (2005) provided \$54,013,116, or any additional amount that becomes available, from the resources trust fund for the purpose of defraying the expenses of the State Water Commission. The State Water Commission estimates 2005-07 biennium expenditures from the resources trust fund to be \$39.7 million.

²The Legislative Assembly appropriated \$69,352,698, or any additional amount that becomes available, from the resources trust fund for the purpose of defraying the expenses of the State Water Commission. Total expenditures will be limited to available funding.

FUND HISTORY

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 general fund.