

Sixty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1152

Introduced by

Representatives Delzer, Carlson, Headland

1 A BILL for an Act to amend and reenact sections 57-51.1-07.3 and 57-51.1-07.5 of the North  
2 Dakota Century Code, relating to the state share of oil and gas tax allocations; to provide an  
3 effective date; and to declare an emergency.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 57-51.1-07.3 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **57-51.1-07.3. Oil and gas research fund - Deposits - Continuing appropriation.**

8 There is established a special fund in the state treasury to be known as the oil and gas  
9 research fund. Before depositing oil and gas gross production tax and oil extraction tax  
10 revenues in the general fund, tax relief fund, budget stabilization fund, strategic investment and  
11 improvements fund, ~~or the state disaster relief fund, or lignite research fund~~, two percent of the  
12 revenues must be deposited monthly into the oil and gas research fund, up to ten million dollars  
13 per biennium. All moneys deposited in the oil and gas research fund and interest on all such  
14 moneys are appropriated as a continuing appropriation to the council to be used for purposes  
15 stated in chapter 54-17.6.

16 **SECTION 2. AMENDMENT.** Section 57-51.1-07.5 of the North Dakota Century Code is  
17 amended and reenacted as follows:

18 ~~**57-51.1-07.5. (Effective through June 30, 2017) State share of oil and gas taxes--**~~  
19 ~~**Deposits.**~~

20 ~~From the revenues designated for deposit in the state general fund under chapters 57-51-~~  
21 ~~and 57-51.1, the state treasurer shall deposit the revenues received each biennium as follows:~~

- 22 1. ~~The first two hundred million dollars into the state general fund;~~
- 23 2. ~~The next three hundred million dollars into the tax relief fund;~~
- 24 3. ~~The next one hundred million dollars into the state general fund;~~

- 1       4.    ~~The next one hundred million dollars into the strategic investment and improvements-~~  
2            ~~fund;~~
- 3       5.    ~~The next twenty two million dollars into the state disaster relief fund, but not in an-~~  
4            ~~amount that would bring the unobligated balance in the fund to more than twenty five-~~  
5            ~~million dollars; and~~
- 6       6.    ~~Any additional revenues:~~
  - 7            a.    ~~Seventy percent into the strategic investment and improvements fund; and~~
  - 8            b.    ~~Thirty percent into the political subdivision allocation fund.~~

9       **~~(Effective after June 30, 2017)~~ State share of oil and gas taxes - Deposits.** From the  
10 revenues designated for deposit in the state general fund under chapters 57-51 and 57-51.1,  
11 the state treasurer shall deposit the revenues received each biennium ~~as follows~~in the following  
12 order:

- 13       1.    The first two hundred million dollars into the state general fund;
- 14       2.    The next ~~three~~two hundred million dollars into the tax relief fund;
- 15       3.    The next ~~one hundred~~seventy-five million dollars into the budget stabilization fund, but  
16            not in an amount that would bring the balance in the fund to more than the limit in  
17            section 54-27.2-01;
- 18       4.    ~~The~~For the period beginning August 1, 2017, and ending July 31, 2019, the next  
19            ~~one~~two hundred million dollars into the state general fund and after July 31, 2019, the  
20            next one hundred million dollars into the state general fund;
- 21       ~~4.5.~~ The next one hundred million dollars into the strategic investment and improvements-  
22            ~~fund;~~
  - 23            a.    Eighty percent into the strategic investment and improvements fund and twenty  
24                percent into the lignite research fund until three million dollars has been  
25                deposited into the lignite research fund to be used for advanced energy  
26                technology grants; and
  - 27            b.    One hundred percent into the strategic investment and improvements fund after  
28                three million dollars has been deposited into the lignite research fund;
- 29       ~~5.6.~~ The next ~~twenty two~~twenty million dollars into the state disaster relief fund, but not in  
30            an amount that would bring the unobligated balance in the fund to more than  
31            ~~twenty five~~twenty million dollars; and

- 1     ~~6.7.~~ Any additional revenues into the strategic investment and improvements fund.
- 2           **SECTION 3. EFFECTIVE DATE.** This Act is effective for tax collections received by the tax
- 3 commissioner after June 30, 2017.
- 4           **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.