

SENATE BILL NO. 2366

Introduced by

Senator Goetz

1 A BILL for an Act to provide for deposit of certain oil extraction and oil and gas gross production
2 tax excess revenues into a permanent oil tax trust fund and deposit of interest earned on the
3 fund to the general fund.

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

5 **SECTION 1. Permanent oil tax trust fund - Deposits - Interest - Adjustment of**
6 **distribution formula.** At the end of any biennium all revenue deposited in the general fund
7 during that biennium and derived from taxes imposed on oil and gas under chapters 57-51 and
8 57-51.1 which exceeds sixty-two million dollars must be transferred by the state treasurer to a
9 special fund in the state treasury known as the permanent oil tax trust fund. The state treasurer
10 shall transfer interest earnings of the permanent oil tax trust fund to the general fund at the end
11 of each fiscal year. The principal of the permanent oil tax trust fund may not be expended
12 except upon a two-thirds vote of the members elected to each house of the legislative
13 assembly.

14 If the distribution formulas under chapter 57-51 or 57-51.1 are amended effective after
15 June 30, 1997, the director of the budget shall adjust the sixty-two million dollar amount in this
16 section by the same percentage increase or decrease in the amount of revenue allocable to the
17 general fund after the change in the allocation formula, and transfers to the permanent oil tax
18 trust fund shall thereafter be made using that adjusted figure so that the dollar amount of the
19 transfers to the permanent oil tax trust fund is not increased or decreased merely because of
20 changes in the distribution formulas.

21 Notwithstanding section 54-27.2-02, the state treasurer shall make the transfers
22 required by this section before calculating any general fund revenue balance available for
23 transfer to the budget stabilization fund under chapter 54-27.2. In this section, "at the end of
24 any biennium" has the same meaning as in section 54-27.2-02.