

HOUSE BILL NO. 1140

Introduced by

Government and Veterans Affairs Committee

(At the request of the State Treasurer)

1 A BILL for an Act to amend and reenact section 57-51.1-07.2 of the North Dakota Century
2 Code, relating to the transfer of oil and gas gross production tax and oil extraction tax revenues.

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

4 **SECTION 1. AMENDMENT.** Section 57-51.1-07.2 of the North Dakota Century Code
5 is amended and reenacted as follows:

6 **57-51.1-07.2. (Contingent repeal - See note) Permanent oil tax trust fund -**

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

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