

**Sixty-fifth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2017**

HOUSE BILL NO. 1152
(Representatives Delzer, Carlson, Headland)

AN ACT to amend and reenact sections 57-51.1-07.3 and 57-51.1-07.5 of the North Dakota Century Code, relating to the state share of oil and gas tax allocations; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

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

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

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

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

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

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

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

1. The first two hundred million dollars into the state general fund;
2. The next ~~three~~two hundred million dollars into the tax relief fund;

3. The next seventy-five million dollars into the budget stabilization fund, but not in an amount that would bring the balance in the fund to more than the limit in section 54-27.2-01;
4. For the period beginning August 1, 2017, and ending July 31, 2019, the next one hundred million dollars into the state general fund and after July 31, 2019, the next one hundred million dollars into the state general fund;
- 4.5. The next one hundred million dollars into the strategic investment and improvements fund:
 - a. Eighty percent into the strategic investment and improvements fund and twenty percent into the lignite research fund until three million dollars has been deposited into the lignite research fund to be used for advanced energy technology grants; and
 - b. One hundred percent into the strategic investment and improvements fund after three million dollars has been deposited into the lignite research fund;
- 5.6. The next twenty-two million dollars into the state disaster relief fund, but not in an amount that would bring the unobligated balance in the fund to more than twenty-five million dollars; and
- 6.7. Any additional revenues into the strategic investment and improvements fund.

SECTION 3. EFFECTIVE DATE. This Act is effective for tax collections received by the tax commissioner after June 30, 2017.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-fifth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1152 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 77 Nays 12 Absent 5

Speaker of the House

Chief Clerk of the House

This certifies that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 45 Nays 1 Absent 1

President of the Senate

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2017.

Approved at _____ M. on _____, 2017.

Governor

Filed in this office this _____ day of _____, 2017,
at _____ o'clock _____ M.

Secretary of State