



North Dakota Legislative Council

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RESOURCES TRUST FUND - 2019-21 AND 2021-23 BIENNIUM UPDATE

This memorandum provides information regarding estimated and actual oil extraction tax revenues deposited in the resources trust fund for the 2019-21 biennium and an analysis of the resources trust fund for the 2019-21 and 2021-23 bienniums.

2019-21 BIENNIUM ESTIMATED REVENUES AND ACTUAL COLLECTIONS

The schedule below compares the 2019-21 revenue forecasts through June 2021, to actual oil and gas tax revenue collections for the resources trust fund.

	2019-21 Biennium Original Legislative Estimate	2019-21 Biennium Updated Legislative Estimate	2019-21 Biennium Actual Collections ¹	Actual Collections Increase (Decrease) to Updated Legislative Estimate
Resources trust fund	\$437,240,000	\$307,440,000	\$304,157,940	(\$3,282,060)

¹Oil extraction tax revenues - These amounts reflect, for the 2019-21 biennium, actual oil and gas tax revenue collections through June 2021 and the 2021 legislative revenue forecast for the remainder of the biennium.

ANALYSIS OF THE RESOURCES TRUST FUND FOR THE 2019-21 AND 2021-23 BIENNIUMS

The schedule below provides an update of the resources trust fund for the 2019-21 and 2021-23 bienniums.

	2019-21 Biennium Estimated		2021-23 Biennium Estimated	
Beginning balance, excluding infrastructure revolving loan fund		\$326,742,618		\$339,761,363
Add revenues and transfers				
Oil extraction tax collections	\$304,157,940 ¹		\$325,310,000 ¹	
Bond proceeds from repayment of loans			74,500,000 ²	
Repayments and reimbursements	13,568,805		13,126,800	
Investment earnings/miscellaneous income	4,492,000		1,500,000	
Total revenues		322,218,745		414,436,800
Total available		\$648,961,363		\$754,198,163
Less expenditures				
State Water Commission - Grants, projects, and project administration	\$305,000,000 ³		\$678,048,989 ³	
House Bill No. 1431 (2021) - Appropriation to the State Water Commission to provide funding for the Mouse River flood control project			74,500,000 ²	
Total State Water Commission designated funds and expenditures		305,000,000		752,548,989
Transfer to renewable energy development fund (North Dakota Century Code Section 57-51.1-07)	\$3,000,000		\$3,000,000	
Transfer to energy conservation grant fund (Section 57-51.1-07)	1,200,000		1,200,000	
Total transfers		4,200,000		4,200,000
Ending balance, excluding funds designated for infrastructure revolving loan fund		\$339,761,363		(\$2,550,826) ³

¹**Oil extraction tax revenues - These amounts reflect,** for the 2019-21 biennium, actual oil and gas tax revenue collections deposited in the fund through June 2021 and the 2021 legislative revenue forecast for the remainder and **the 2021 legislative revenue forecast for the 2021-23 biennium.** Actual 2019-21 biennium collections were \$2,550,826 less than anticipated through June 2021 compared to the 2021 legislative revenue forecast.

²House Bill No. 1431 (2021) allocates \$74.5 million of bond proceeds which are deposited into the resources trust fund for the repayment of outstanding loans of the Western Area Water Supply Authority. The bill also provides an appropriation of \$74.5 million from the resources trust fund to the State Water Commission for the Mouse River flood control project.

³Based on these estimates, the State Water Commission will need to reduce 2021-23 biennium expenditures from the resources trust fund as a result of the decrease in revenue to avoid a negative fund balance.