

Sixty-eighth  
Legislative Assembly  
of North Dakota

**ENGROSSED HOUSE CONCURRENT  
RESOLUTION NO. 3033**

Introduced by

Representatives Mock, Hagert, Ista, Kempenich, Kreidt, Schatz

Senators Cleary, Meyer

1 A concurrent resolution to amend and reenact section 26 of article X of the Constitution of North  
2 Dakota, relating to ~~the transfer of earnings~~ spending and transfers from the legacy fund.

3 **STATEMENT OF INTENT**

4 This measure would ~~require the legislative assembly to approve a transfer of earnings from the~~  
5 ~~legacy fund each biennium and would define the earnings based on a percent of the value of~~  
6 ~~the fund~~ decrease the amount of principal available for spending each biennium and would  
7 clarify the distributions from the legacy fund.

8 **BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE**  
9 **SENATE CONCURRING THEREIN:**

10 That the following proposed amendment to section 26 of article X of the Constitution of  
11 North Dakota is agreed to and must be submitted to the qualified electors of North Dakota at the  
12 general election held in 2024, in accordance with section 16 of article IV of the Constitution of  
13 North Dakota.

14 **SECTION 1. AMENDMENT.** Section 26 of article X of the Constitution of North Dakota is  
15 amended and reenacted as follows:

16 **Section 26.**

- 17 1. Thirty percent of total revenue derived from taxes on oil and gas production or  
18 extraction must be transferred by the state treasurer to a special fund in the state  
19 treasury known as the legacy fund. The legislative assembly may transfer funds from  
20 any source into the legacy fund ~~and such transfers become part of.~~ Transfers under  
21 this subsection and earnings accruing prior to July 1, 2017, are the principal of the  
22 legacy fund.
- 23 2. The principal ~~and earnings~~ of the legacy fund may ~~not~~ be expended, ~~until after~~  
24 ~~June 30, 2017, and an~~ but an expenditure of principal ~~after that date~~ requires a vote of  
25 at least two-thirds of the members elected to each house of the legislative assembly.

1 Not more than ~~fifteen~~five percent of the principal of the legacy fund may be expended  
2 during a biennium.

3 3. Statutory programs, in existence as a result of legislation enacted through 2009,  
4 providing for impact grants, direct revenue allocations to political subdivisions, and  
5 deposits in the oil and gas research fund must remain in effect but the legislative  
6 assembly may adjust statutory allocations for those purposes.

7 ~~4.~~ The state investment board shall invest the ~~principal of the North Dakota~~moneys in the  
8 legacy fund. The

9 ~~5.~~ On July first of each odd-numbered year, the state treasurer shall transfer seventy-  
10 percent of the earnings of the North Dakota make a distribution from the legacy fund  
11 accruing after June 30, 2017, to the state general fund at the end of each biennium to  
12 a legacy earnings fund subject to approval by the legislative assembly each  
13 biennium as provided by law, but a distribution may not result in an expenditure of  
14 principal. Any earnings not transferred from the legacy fund become part of the  
15 principal of the legacy fund.

16 ~~6.~~ For purposes of this section, "earnings" means up to eight percent of the five-year  
17 average value of legacy fund assets as reported by the state investment board using  
18 the value of legacy fund assets at the end of each fiscal year for the five-year period  
19 ending with the most recently completed even-numbered fiscal year.