

Introduced by

Senators Grindberg, Lyson, Schneider

Representatives Beadle, Delmore, N. Johnson

1 A concurrent resolution to create and enact a new section to article X of the Constitution of
2 North Dakota, relating to the creation of a legacy scholarship fund; and to amend and reenact
3 section 26 of article X of the Constitution of North Dakota, relating to the legacy fund.

4 **STATEMENT OF INTENT**

5 This measure provides for a transfer of moneys from the legacy fund in order to endow a legacy
6 scholarship fund that will be available to eligible residents who attend accredited institutions of
7 higher education in this state.

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

10 That the following proposed new section to article X and the amendment to section 26 of
11 article X of the Constitution of North Dakota are agreed to and must be submitted to the
12 qualified electors of North Dakota at the general election to be held in 2014, in accordance with
13 section 16 of article IV of the Constitution of 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 the principal of the
21 legacy fund.
- 22 2. The principal and earnings of the legacy fund may not be expended until after
23 June 30, 2017, ~~and~~ Except as provided in section 2 of this resolution, an expenditure
24 of principal after that date requires a vote of at least two-thirds of the members elected

1 to each house of the legislative assembly. Not more than fifteen percent of the
2 principal of the legacy fund may be expended 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 The state investment board shall invest the principal of the North Dakota legacy fund. The state
8 treasurer shall transfer earnings of the North Dakota legacy fund accruing after June 30, 2017,
9 to the state general fund at the end of each biennium.

10 **SECTION 2.** A new section to article X of the Constitution of North Dakota is created and
11 enacted as follows:

12 Notwithstanding the provisions of section 26 of article X, on July 1, 2018, the state treasurer
13 shall transfer four hundred fifty million dollars of the North Dakota legacy fund into a special
14 fund in the state treasury known as the legacy scholarship fund. The principal of the legacy
15 scholarship fund may not be expended and the earnings of the legacy scholarship fund may be
16 expended by the legislative assembly only for the purpose of granting scholarships to eligible
17 residents of this state who meet academic standards and other criteria established by law and
18 who attend accredited institutions of higher education in this state.