

**SENATE BILL NO. 2202**

Introduced by

Senators Bowman, Christmann, Lyson, Wardner

Representative Drovdal

1 A BILL for an Act to provide for the distribution of federal mineral royalties; and to amend and  
2 reenact section 15-40.1-13 of the North Dakota Century Code, relating to distribution of federal  
3 mineral royalty receipts.

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

5 **SECTION 1. Distribution of federal mineral royalties.** One-half of the moneys paid  
6 to the state by the secretary of the treasury of the United States under the provisions of an Act  
7 of Congress entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and  
8 sodium on the public domain" [Pub. L. 66-146; 41 Stat. 437; 30 U.S.C. 181 et seq.], popularly  
9 known as the Minerals Leasing Act of 1920, must be credited to the state general fund and  
10 distributed to the county in which the minerals generating the royalties are located. The  
11 moneys must be used by the county for planning, construction and maintenance of public  
12 facilities, and the provision of public services. This section applies to all royalties paid pursuant  
13 to the Minerals Leasing Act of 1920 on minerals produced after the effective date of this Act.

14 **SECTION 2. AMENDMENT.** Section 15-40.1-13 of the North Dakota Century Code is  
15 amended and reenacted as follows:

16 **15-40.1-13. Receipts from federal funds.** ~~All~~ One-half of the moneys paid to the state  
17 by the secretary of the treasury of the United States under the provisions of an Act of Congress  
18 entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the  
19 public domain" [Pub. L. 66-146; 41 Stat. 437; 30 U.S.C. 181 et seq.]; must be credited to the  
20 state general fund and must be distributed only pursuant to the terms of this chapter. ~~Such~~  
21 These moneys must be deemed the first moneys withdrawn or expended from the general fund  
22 for state school aid purposes.