

Introduced by

Senators Axness, Sinner, Triplett

Representatives Guggisberg, S. Kelsh, Oversen

1 A concurrent resolution to create and enact a new section to article X of the Constitution of
2 North Dakota, relating to an outdoor heritage fund; to provide an effective date; and to provide
3 an expiration date.

4 **STATEMENT OF INTENT**

5 This measure creates an outdoor heritage fund from four percent of the total revenues from oil
6 and gas production and extraction taxes and allows the fund to be administered by the outdoor
7 heritage commission for clean water, lands, and outdoor heritage.

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

10 That the following proposed creation of a new section to 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 to be held in 2014, in accordance with section 16 of article IV of the
13 Constitution of North Dakota.

14 **SECTION 1.** A new section to article X of the Constitution of North Dakota is created and
15 enacted as follows:

- 16 1. To protect our clean water, lands, and outdoor heritage for the benefit of North Dakota
17 citizens, four percent of the total revenue derived from taxes on oil and gas production
18 and four percent of total revenue derived from taxes on oil extraction, up to one
19 hundred million dollars per year must be transferred by the state treasurer to a special
20 fund in the state treasury known as the outdoor heritage fund.
21 2. The outdoor heritage fund must be used for grants to state agencies, tribal
22 governments, local governments, political subdivisions, and nonprofit organizations for
23 the following purposes:

- 1 a. Protect, improve, maintain, and restore water quality through the restoration and
2 protection of rivers, streams, lakes, or other surface waters, groundwater,
3 wetlands, grasslands, prairies, and forests;
- 4 b. Improve natural flood control through the restoration and protection of natural
5 areas along rivers, streams, lakes, or other surface waters, groundwater,
6 wetlands, grasslands, prairies, and forests;
- 7 c. Protect, restore, and create wildlife and fish habitat on private and public lands
8 through grasslands, prairie, wetlands, stream, lake, and forest restoration,
9 creation, and protection;
- 10 d. Conserve natural areas for people through the establishment and development of
11 parks and other recreation areas; and
- 12 e. Encourage beginning farmers and ranchers and enhance working farms and
13 ranches through conservation programs and conservation incentives.
- 14 3. The outdoor heritage commission shall oversee, govern, administer, and distribute the
15 outdoor heritage fund. The outdoor heritage commission consists of ten members.
16 The members include the governor, the agriculture commissioner, the director of the
17 game and fish department, the director of the parks and recreation department, the
18 state forester, the section chief for the environmental health section of the state
19 department of health, the senate majority leader, the senate minority leader, the house
20 majority leader, and the house minority leader. A legislative member may designate a
21 member of the legislative assembly from the same house as the member to serve on
22 the commission instead of the member. The commission shall elect a chairman and
23 vice chairman from the members of the commission, for terms of four years, and
24 without consecutive terms for the same position. The commission must receive advice
25 from an advisory board appointed by the governor. The governor shall appoint one
26 member from a list of names provided from parks and recreation interest groups, four
27 members from a list provided from general conservation interest groups, one member
28 from a list provided from hunting interest groups, one member from a list provided
29 from fishing interest groups, two members from a list provided from agricultural
30 interest groups, and one member from a list provided from tourism and business
31 interest groups. The governor shall appoint two nonvoting members. The governor

1 shall appoint one member from a list provided from traditional energy interest groups
2 and one member from a list provided from renewable energy interest groups. The
3 governor shall provide within an existing agency of state government for an
4 administrative and fiscal agent for the fund and commission. The agency may spend
5 up to three percent of the annual income accruing to the fund for the purposes of
6 staffing and other administrative expenses incurred as a direct result of administering
7 the fund and commission and board activities.

8 4. Moneys in the outdoor heritage fund may not be used for litigation or lobbying
9 activities. The funds may be used for acquisitions of real property and easements as
10 allowed by state law. The funds must be used as a supplement to existing funding and
11 not as a replacement for traditional sources of funding. The state investment board is
12 responsible for investment of the fund.

13 5. During each regular legislative session, the outdoor heritage commission shall file a
14 report to the citizens of the state at a hearing before the natural resources committee
15 of each house of the legislative assembly. The report must include a state auditor's
16 report on the outdoor heritage fund for the previous two fiscal years.

17 **SECTION 2. EFFECTIVE DATE - EXPIRATION DATE.** If approved by voters, this measure
18 becomes effective for oil and gas produced after December 31, 2014. This measure expires on
19 January 1, 2039, and after that date is ineffective. In the general election directly preceding the
20 expiration of this measure, this measure must be submitted to the qualified electors of North
21 Dakota and the measure becomes effective for oil and gas produced after December 31, 2038,
22 if approved.