



— State of —
North Dakota
Office of the Governor

Doug Burgum
Governor

May 2, 2019

The Honorable Brent Sanford
President of the Senate
North Dakota Senate
State Capitol
Bismarck, ND 58505

Re: Senate Bill 2015

Dear President Sanford:

Pursuant to Article V, Section 9 of the North Dakota Constitution, I have vetoed Section 19, *Recognition of legacy fund earnings for budget purposes*, of Senate Bill 2015.

Section 19 circumvents constitutional requirements for Legacy Fund earnings and ignores all generally accepted accounting principles by failing to recognize the earnings in the biennium in which they are received. The people of North Dakota spoke clearly when they approved the Legacy Fund measure in 2010, instructing, as outlined in Article X, Section 26 of the North Dakota Constitution that the “state treasurer shall transfer earnings of the North Dakota legacy fund accruing ... to the state general fund **at the end of each biennium.**”

Section 19 manipulates the recognition of state revenues which artificially reduces the balance of the general fund by hundreds of millions of dollars. It misleads legislators tasked with voting on appropriation bills and taxpayers who deserve to know the true financial status of the state.

For the reasons stated above, Section 19 of Senate Bill 2015 is vetoed.

Sincerely,

Doug Burgum
Governor