

Fifty-seventh
Legislative Assembly
of North Dakota

SENATE BILL NO. 2165

Introduced by

Natural Resources Committee

(At the request of the Industrial Commission)

1 A BILL for an Act to create and enact section 54-17.2-05.1 of the North Dakota Century Code,
2 relating to the authority of the state building authority to lease and leaseback state property; and
3 to amend and reenact section 54-17.2-23 of the North Dakota Century Code, relating to the
4 calculation of lease payments for capital construction projects financed by the state building
5 authority.

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

7 **SECTION 1.** Section 54-17.2-05.1 of the North Dakota Century Code is created and
8 enacted as follows:

9 **54-17.2-05.1. Lease of state property to commission - Leaseback to state.**
10 Notwithstanding any other provision in this chapter, the state may lease any project or other
11 property to the commission, in lieu of a transfer of title, and the commission may sublease or
12 leaseback any such project or property back to the state in connection with any financing by the
13 commission under this chapter. Any reference in this chapter to the power or authority of the
14 commission or the state to sell, convey, or lease any project or other property to the other must
15 be deemed to include the power or authority to lease, sublease, or leaseback such project or
16 property, as the case may be.

17 **SECTION 2. AMENDMENT.** Section 54-17.2-23 of the 1999 Supplement to the North
18 Dakota Century Code is amended and reenacted as follows:

19 **54-17.2-23. State building authority lease payments - Limitation.** The general fund
20 amount of lease payments for a biennium associated with capital construction projects financed
21 by the industrial commission acting as the state building authority may not exceed the amount
22 equal to a portion of sales, use, and motor vehicle excise tax collections equal to ten percent of
23 an amount, determined by multiplying the quotient of one percent divided by the general sales
24 tax rate that was in effect when the taxes were collected, times the net sales, use, and motor

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- 1 vehicle excise tax collections under chapters 57-39.2, 57-40.2, and 57-40.3. The computation
- 2 for the authorized general fund lease payments for a biennium must be based on the projected
- 3 sales, use, and motor vehicle excise tax collections presented to the legislative assembly at the
- 4 close of the most recently adjourned regular legislative session. Lease payment amounts for
- 5 any particular project must be calculated as of the date the related bonds are issued.