

HOUSE BILL NO. 1383

Introduced by

Representatives Onstad, S. Meyer

1 A BILL for an Act to amend and reenact subsection 6 of section 54-17.7-02 and subsection 3 of
2 section 54-17.7-04 of the North Dakota Century Code, relating to authorization for the North
3 Dakota pipeline authority to participate in and provide for funding of pipeline interconnection
4 facilities; to authorize the North Dakota pipeline authority to issue and sell evidences of
5 indebtedness for capital projects; and to provide an appropriation.

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

7 **SECTION 1. AMENDMENT.** Subsection 6 of section 54-17.7-02 of the North Dakota
8 Century Code is amended and reenacted as follows:

9 6. "Pipeline facilities" means pipelines, pumps, compressors, storage, and all other
10 facilities, structures, and properties incidental and necessary or useful in the
11 interconnection of pipelines or the transportation, distribution, and delivery of
12 energy-related commodities to points of sale or consumption or to the point or
13 points of distribution for consumption located within and without this state.

14 **SECTION 2. AMENDMENT.** Subsection 3 of section 54-17.7-04 of the North Dakota
15 Century Code is amended and reenacted as follows:

16 3. Acquire, purchase, hold, use, lease, license, sell, transfer, and dispose of an
17 undivided or other interest in or the right to capacity in any pipeline system or
18 systems, including interconnection of pipeline systems, within or without the state
19 of North Dakota in order to facilitate the production, transportation, distribution, or
20 delivery of energy-related commodities produced in North Dakota as a purchaser
21 of last resort. The obligation of the state may not exceed ten percent of the
22 pipeline authority's acquisition or purchase of a right to capacity in any pipeline
23 system or systems, or interconnection of pipeline systems, and the state's
24 obligation is limited to the funding available from the oil and gas research fund.

SECTION 3. EVIDENCES OF INDEBTEDNESS ISSUANCE AUTHORIZATION -

PURPOSES - APPROPRIATION. The North Dakota pipeline authority, in accordance with chapter 54-17.7 and as soon as feasible after the effective date of this Act, shall issue and sell evidences of indebtedness under chapter 54-17.7 in the amount of two million dollars, or so much of that sum as may be necessary, to implement the authority's recommended action based on the authority's study of whether construction of a pipeline connecting to existing pipelines is feasible and economically sound. Evidences of indebtedness issued under this section are not a general obligation of the state of North Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences of indebtedness may be issued and the proceeds are appropriated, for the biennium beginning July 1, 2009, and ending June 30, 2011.