

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
SECOND ENGROSSMENT**

REENGROSSED HOUSE BILL NO. 1577

Introduced by

Representatives Mitskog, Kempenich, Kiefert, Martinson, Nelson, Stemen

Senators Kessel, Weber

1 A BILL for an Act to create and enact a new section to chapter 23.1-07 and a new subsection to
2 section 23.1-07-06 of the North Dakota Century Code, relating to a wastewater infrastructure
3 grant program and the duties of the department of environmental quality; to provide for a
4 legislative management study; and to provide an appropriation.

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

6 **SECTION 1.** A new section to chapter 23.1-07 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Wastewater infrastructure grant program.**

- 9 1. The department shall award wastewater infrastructure grants to eligible entities
10 identified in subsection 2 to upgrade, replace, or construct infrastructure for a
11 wastewater collection system, wastewater disposal system, or wastewater treatment
12 plant.
- 13 2. Cities, counties, townships, water resource districts, recreation service districts, and
14 water districts operating wastewater systems in the state may receive a grant under
15 this section for an eligible project, subject to the availability of funds.
- 16 3. An eligible wastewater system must be in compliance with current wastewater
17 regulations unless the project will return the system to compliance. Eligible projects
18 may not include operations and maintenance costs.

1 4. The department may not award a grant in excess of sixty percent of the total cost of a
2 project and shall ensure no community receives a grant for more than one project per
3 biennium.

4 **SECTION 2.** A new subsection to section 23.1-07-06 of the North Dakota Century Code is
5 created and enacted as follows:

6 Administer the wastewater infrastructure grant program.

7 **SECTION 3. LEGISLATIVE MANAGEMENT STUDY - WASTEWATER**

8 **INFRASTRUCTURE FUNDING.** During the 2025-26 interim, the legislative management shall
9 consider studying the use of additional funding sources to fund wastewater infrastructure
10 projects within the state. The study must include a review of alternative funding sources and the
11 viability of providing long-term funding to cities, counties, townships, water resource districts,
12 recreational service districts, and water districts operating wastewater systems for partially
13 funded wastewater infrastructure projects, including projects to upgrade, replace, or construct
14 wastewater collection systems, wastewater disposal systems, and wastewater treatment plants.
15 The legislative management shall report its findings and recommendations, together with any
16 legislation required to implement its recommendations, to the seventieth legislative assembly.

17 **SECTION 4. APPROPRIATION - DEPARTMENT OF ENVIRONMENTAL QUALITY -**
18 **WASTEWATER INFRASTRUCTURE GRANTS - STRATEGIC INVESTMENT AND**

19 **IMPROVEMENTS FUND - ONE-TIME FUNDING.** There is appropriated out of any moneys in
20 the strategic investment and improvements fund in the state treasury, not otherwise
21 appropriated, the sum of \$25,000,000, or so much of the sum as may be necessary, to the
22 department of environmental quality for the purpose of providing wastewater infrastructure
23 grants, for the biennium beginning July 1, 2025, and ending June 30, 2027. No more than
24 \$12,500,000 may be awarded for a project. Of the funding appropriated in this section, at least
25 \$12,500,000 must be awarded to cities with a population less than twelve thousand five
26 hundred, based on the most recent federal decennial census. If less than \$12,500,000 has
27 been awarded to cities with a population less than twelve thousand five hundred by April 1,
28 2027, the department may award the remaining funds to other eligible projects. The funding
29 provided in this section is considered a one-time funding item.