

Fifty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1029

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for capital projects of various state departments  
2 and institutions; to authorize the state board of higher education to issue and sell  
3 self-liquidating, tax-exempt bonds for the construction of a revenue-producing parking lot and  
4 related facilities at the university of North Dakota; to authorize the industrial commission to  
5 issue and sell bonds for capital projects; to provide an appropriation; to amend and reenact  
6 section 54-17.2-23 of the North Dakota Century Code, relating to the limitation on state building  
7 authority lease payments; and to declare an emergency.

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

9 **SECTION 1. BOARD OF HIGHER EDUCATION - BOND ISSUANCE - PURPOSES.**

10 The state board of higher education, in accordance with chapter 15-55, may issue and sell  
11 self-liquidating, tax-exempt bonds in any amount up to, but not exceeding \$450,000 for the  
12 purpose of financing a revenue-producing parking lot, curb, gutter, sidewalks, and ring road in  
13 connection with the rural technology center at the university of North Dakota. Bonds issued  
14 under the provisions of this Act may not become a general obligation of the state of North  
15 Dakota.

16 **SECTION 2. USE OF PROCEEDS - APPROPRIATION.** The proceeds resulting from  
17 the sale of bonds authorized under section 1, or so much thereof as may be necessary, plus  
18 any available funds received from federal or private sources, are hereby appropriated to  
19 reimburse the state board of higher education for the construction costs of the facility  
20 authorized in section 1.

21 **SECTION 3. PROJECT AUTHORIZATIONS.** The industrial commission, acting as the  
22 North Dakota building authority, shall arrange for the funding of the projects authorized in this  
23 section, hereby declared to be in the public interest, through the issuance of evidences of  
24 indebtedness under chapter 54-17.2, during the biennium beginning July 1, 1997, and ending

1 June 30, 1999. The proceeds of the evidences of indebtedness and other available funds are  
2 hereby appropriated during the biennium beginning July 1, 1997, and ending June 30, 1999, for  
3 the following projects:

4 University of	Animal quarters	\$4,500,000
5 North Dakota		
6 North Dakota	Animal research	5,000,000
7 state university	facility	
8 North Dakota state	Bute gym remodeling	1,700,000
9 college of science		
10 Minot state university	Moore hall renovation	4,000,000
11 Department of corrections	Gymnasium renovation -	2,365,000
12 and rehabilitation	youth correctional center	
13 Department of corrections	Food service building -	1,200,000
14 and rehabilitation	missouri river correctional	
15	center	
16 Department of corrections	Pine cottage - youth	1,800,000
17 and rehabilitation	correctional center	

18 The industrial commission shall issue evidences of indebtedness under this section with  
19 the condition that lease rental payments need not begin until July 1, 1999. This authority of the  
20 industrial commission to issue evidences of indebtedness ends June 30, 1999, but the  
21 industrial commission may continue to exercise all other powers granted to it under chapter  
22 54-17.2 and this Act and to comply with any covenants entered into before that date.

23 The university of North Dakota may obtain and utilize federal funds to assist in the  
24 construction of animal quarters at the university of North Dakota. There is hereby appropriated  
25 to the university of North Dakota the sum of \$1,500,000, or so much of the sum as may be  
26 necessary, from any federal or other funds that may become available for this project for the  
27 biennium beginning July 1, 1997, and ending June 30, 1999.

28 North Dakota state university may obtain and utilize federal funds to assist in the  
29 construction of an animal research facility at North Dakota state university. There is hereby  
30 appropriated to North Dakota state university the sum of \$5,000,000, or so much of the sum as

may be necessary, from any federal or other funds that may become available for this project for the biennium beginning July 1, 1997, and ending June 30, 1999.

The general funds and special funds contained in section 3 of chapter 3 of the 1995 Session Laws for Bute gymnasium at the North Dakota state college of science are not subject to the provisions of section 54-44.1-11 and any unexpended funds from these appropriations are available during the biennium beginning July 1, 1997, and ending June 30, 1999.

Grand total special funds appropriation	\$27,515,000
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**SECTION 4. BOND ISSUANCE REPAYMENT RESPONSIBILITY.** Of the total amount of evidences of indebtedness issued under the provisions of section 3 of this Act, a total of \$2,800,000 must be available from nongeneral fund sources to assist in the retirement of the evidences of indebtedness, issued for the project costs associated with construction of the projects authorized by this Act:

University of North Dakota project	\$1,500,000
North Dakota state university project	1,000,000
North Dakota state college of science project	300,000

Payments must be made in six equal annual installments beginning after fiscal year 1999.

Prepayment may be made on any or all of these amounts. Such payments of local matching amounts must be deposited in a special industrial commission account from which the industrial commission, acting as the North Dakota building authority, shall use the funds in making principal and interest payments.

**SECTION 5. AMENDMENT.** Section 54-17.2-23 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**54-17.2-23. State building authority lease payments - Limitation.** The general fund amount of lease payments for a biennium associated with capital construction projects financed by the industrial commission acting as the state building authority may not exceed the amount equal to a portion of sales, use, and motor vehicle excise tax collections equal to ~~eleven~~ ten and one-half percent of an amount, determined by multiplying the quotient of one percent divided by the general sales tax rate that was in effect when the taxes were collected, times the net sales, use, and motor vehicle excise tax collections under chapters 57-39.2, 57-40.2, and 57-40.3.

1           **SECTION 6. EMERGENCY.** Sections 1 and 2 of this Act are declared to be an  
2 emergency measure.