

Sixty-second
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2371

Introduced by

Senators Wardner, Christmann, Hogue

Representatives Carlson, Delzer, Vigesaa

(Approved by the Delayed Bills Committee)

1 A BILL for an Act to create and enact a new section to chapter 6-09 and a new subsection to
2 section 39-12-02 of the North Dakota Century Code, relating to the establishment of a
3 rebuilders loan program and to special permits for vehicles of excessive size and weight; to
4 amend and reenact subsection 5 of section 57-35.3-05 and subsections 1 and 5 of section
5 57-38-01.32 of the North Dakota Century Code, section 4 of chapter 12 of the 2011 Session
6 Laws, and subsection 4 of section 10 of chapter 12 of the 2011 Session Laws, relating to
7 financial institutions tax and income tax credits for contributions to the housing incentive fund,
8 department of transportation borrowing authority for emergency relief projects, and the county
9 and township road reconstruction program; to provide for a rebuilders loan program, principal
10 reduction grants, a flood-impacted political subdivision infrastructure development grant
11 program, road grade raising grants, oil and gas impact grant funding enhancement, and
12 transportation funding enhancement; to provide for transfers; to provide appropriations; to
13 provide contingent appropriations and transfers; to provide a continuing appropriation; to
14 provide statements of legislative intent; to provide for a study; to provide for retroactive
15 application; to provide an effective date; and to provide an expiration date.

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

17 **SECTION 1.** A new section to chapter 6-09 of the North Dakota Century Code is created
18 and enacted as follows:

19 **Rebuilders loan program - Loan fund - Continuing appropriation - Requirements.**

20 1. The Bank of North Dakota shall maintain a loan fund to make or participate in loans to
21 North Dakota residents affected by a presidentially declared disaster in the state for
22 the purpose of the resident rebuilding the resident's flood-damaged home or
23 purchasing a new home in the disaster-impacted community. Up to twenty percent of
24 the loan proceeds disbursed under this program may be used for debt service, debt

- 1 retirement, or other credit obligations. All moneys transferred into the fund, interest
2 upon moneys in the fund, and payments to the fund of principal and interest on loans
3 made from the fund are appropriated for the purpose of providing loans in accordance
4 with this section.
- 5 2. The Bank shall administer and supervise the loan fund and loans made from the fund.
6 The Bank may deduct, from interest payments received on loans, a service fee for
7 administering the fund for the Bank and originating financial institutions. An application
8 for a loan from the fund must be made to the Bank or originating financial institution
9 and, upon approval, a loan must be made from the fund in accordance with this
10 section.
- 11 3. A loan may be made from the fund only to a homeowner residing in an area in this
12 state in which federal emergency management agency individual assistance was
13 available to homeowners after a presidentially declared disaster in the state as a result
14 of a flood event occurring during 2011. A loan may be made from the fund only to a
15 homeowner residing in this state whose home was granted a reduction in 2011 in true
16 and full valuation from the individual's property's preflood value by an assessment
17 reduction pursuant to the governor's executive order 2011-22 or by an abatement for
18 flood-damaged property granted by the board of county commissioners. An initial loan
19 made to a homeowner under this section from state funds may not exceed thirty
20 thousand dollars or the actual amount of documented damage not paid by flood
21 insurance, whichever is less. If federal funds are made available for this program, an
22 additional amount as determined by the Bank may be borrowed by eligible
23 homeowners who received an initial loan of thirty thousand dollars.
- 24 4. A loan from the fund must have the interest rate fixed at one percent per year for no
25 more than twenty years.
- 26 5. For every loan made from the fund, principal and interest payments must be deferred
27 for the first twenty-four months of the loan.
- 28 6. A loan application under this section may not be accepted after September 30, 2012.
- 29 7. If, subsequent to receiving a loan from the fund, the property for which the loan was
30 made is purchased for flood mitigation purposes or otherwise sold, the balance of the

1 loan and any interest accrued on the loan must be repaid to the fund upon the closing
2 of the sale.

3 8. The industrial commission shall contract with a certified public accounting firm to audit
4 the fund as necessary. The cost of the audit, and any other actual costs incurred by
5 the Bank on behalf of the fund, must be paid by the fund.

6 9. The Bank shall adopt policies to implement this section.

7 **SECTION 2.** A new subsection to section 39-12-02 of the North Dakota Century Code is
8 created and enacted as follows:

9 A multitrip permit for nondivisible loads may be issued for specific routes identified in
10 the permit application. The fee for this permit is the single trip permit fee multiplied by
11 the number of days the permit is valid. This subsection does not apply to special
12 mobile equipment or loads over one hundred fifty thousand pounds [68038.86
13 kilograms].

14 **SECTION 3. AMENDMENT.** Subsection 5 of section 57-35.3-05 of the North Dakota
15 Century Code is amended and reenacted as follows:

16 5. There is allowed a credit against the tax imposed by sections 57-35.3-01 through
17 57-35.3-12 in an amount equal to the contribution to the housing incentive fund under
18 section 54-17-40. ~~The taxpayer may not claim more than twenty percent of the credit~~
19 ~~for each separate contribution made in any taxable year.~~ For the purposes of the credit
20 allowed in this subsection, subsections 2 through 8 of section 57-38-01.32 apply.

21 **SECTION 4. AMENDMENT.** Subsections 1 and 5 of section 57-38-01.32 of the North
22 Dakota Century Code are amended and reenacted as follows:

23 1. A taxpayer is entitled to a credit as determined under this section against state income
24 tax liability under section 57-38-30 or 57-38-30.3 for contributing to the housing
25 incentive fund under section 54-17-40. The amount of the credit is equal to the amount
26 contributed to the fund during the taxable year. ~~The taxpayer may not claim more than~~
27 ~~twenty percent of the credit for each separate contribution made in any taxable year.~~

28 5. The aggregate amount of tax credits allowed to all eligible contributors is limited to
29 fourfifteen million dollars per biennium. This limitation applies to all contributions for
30 which tax credits are claimed under section 57-35.3-05 and this section.

1 **SECTION 5. AMENDMENT.** Section 4 of chapter 12 of the 2011 Session Laws is amended
2 and reenacted as follows:

3 **SECTION 4. APPROPRIATION - BORROWING AUTHORITY - ADDITIONAL**
4 **EMERGENCY RELIEF PROGRAM.** The department of transportation may borrow the
5 sum of ~~\$120,000,000~~\$200,000,000, or so much of the sum as may be necessary, from
6 the Bank of North Dakota for the purpose of providing funding for emergency relief
7 projects on the state highway system, for the period beginning with the effective date
8 of this Act and ending June 30, 2013. Any funding borrowed from the Bank of North
9 Dakota under this section is appropriated to the department of transportation for
10 emergency relief projects on the state highway system. Funding appropriated under
11 this section is considered one-time funding and is not to be considered a part of the
12 department's 2013-15 base budget request. Any federal funding received for projects
13 receiving funding under this section must be used to repay the loan from the Bank of
14 North Dakota.

15 **SECTION 6. AMENDMENT.** Subsection 4 of section 10 of chapter 12 of the 2011 Session
16 Laws is amended and reenacted as follows:

- 17 4. The funding included in the county and township road reconstruction
18 program line item in section 1 of this Act may be used for:
- 19 a. Ninety percent of the cost of the approved paved roadway projects not
20 to exceed the funding available for that county.
 - 21 b. ~~Twenty-five~~Ninety percent of the cost of the approved unpaved
22 roadway projects not to exceed the funding available for that county.
 - 23 c. Funding may be used for construction, engineering, and plan
24 development costs.

25 **SECTION 7. TRANSFER - BANK OF NORTH DAKOTA - REBUILDERS LOAN**
26 **PROGRAM FUND.** The Bank of North Dakota shall transfer the sum of \$30,000,000, or so
27 much of the sum as may be necessary, from the Bank's current earnings and undivided profits
28 to the rebuilders loan program fund during the period beginning with the effective date of this
29 Act and ending June 30, 2013.

30 **SECTION 8. CONTINGENT APPROPRIATION - TRANSFER - REBUILDERS LOAN**
31 **PROGRAM FUND.** In the event moneys transferred pursuant to section 7 of this Act are fully

1 obligated prior to June 30, 2013, there is appropriated out of any moneys in the general fund in
2 the state treasury, not otherwise appropriated, the sum of \$20,000,000, or so much of the sum
3 as may be necessary, which the office of management and budget shall transfer to the
4 rebuilders loan program fund during the period beginning with the effective date of this Act and
5 ending June 30, 2013.

6 **SECTION 9. APPROPRIATION - ADJUTANT GENERAL - FUNDING FOR REBUILDERS**
7 **LOAN PROGRAM AND FLOOD-IMPACTED HOUSING REHABILITATION - CITY AND**
8 **COUNTY AUTHORITY.** There is appropriated out of any moneys in the state disaster relief fund
9 in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the
10 sum as may be necessary, to the adjutant general for the purpose of providing funds to the
11 Bank of North Dakota's rebuilders loan program fund and to cities and counties for flood-
12 impacted housing rehabilitation, for the period beginning with the effective date of this Act and
13 ending June 30, 2013. Funds made available to cities and counties under this section must be
14 used by the city or county as deemed most effective in that community to assist homeowners in
15 rehabilitation or replacement of their flood-damaged homes and to retain homeowners in the
16 community.

17 **SECTION 10. APPROPRIATION - LAND DEPARTMENT - FLOOD-IMPACTED**
18 **POLITICAL SUBDIVISION INFRASTRUCTURE DEVELOPMENT GRANTS -**
19 **ADMINISTRATION.** There is appropriated out of any moneys in the general fund in the state
20 treasury, not otherwise appropriated, the sum of \$30,000,000, or so much of the sum as may be
21 necessary, to the commissioner of university and school lands for the purpose of providing
22 infrastructure development grants to flood-impacted political subdivisions, for the period
23 beginning with the effective date of this Act and ending June 30, 2013. The funding provided in
24 this section is considered a one-time funding item. Up to \$110,000 of this appropriation may be
25 used by the commissioner of university and school lands for salaries and operating expenses
26 relating to the administration of this grant program.

27 **SECTION 11. FLOOD-IMPACTED POLITICAL SUBDIVISION INFRASTRUCTURE**
28 **DEVELOPMENT GRANTS - CRITERIA - DISTRIBUTION.**

29 1. The energy infrastructure and impact office director shall:

- 1 a. Develop a plan for providing infrastructure development grants to eligible political
2 subdivisions and establish procedures and forms to be used for making
3 applications for funds.
- 4 b. Receive and review applications for infrastructure development grants pursuant
5 to this section.
- 6 c. Make recommendations to the board of university and school lands on grants to
7 eligible political subdivisions pursuant to this section.
- 8 2. The board of university and school lands shall award and distribute infrastructure
9 development grants to eligible political subdivisions based on identified needs.
- 10 3. Eligible political subdivisions include counties, as well as cities, school districts, and
11 other political subdivisions located within such counties, which have received an
12 individual assistance designation by the federal emergency management agency
13 relating to a flood event that occurred during 2011.
- 14 4. Grants received by eligible political subdivisions may be used to offset up to fifty
15 percent of the costs not otherwise reimbursed through federal or other state funds to:
16 a. Develop new community infrastructure, the need for which is directly related to
17 the displacement of residents due to flooding. For the purposes of this Act,
18 infrastructure includes community-owned waterlines, sewer, curb, and gutter.
- 19 b. Evaluate the extent of damage to community-owned infrastructure.
- 20 c. Restore or repair flood-related damage to community-owned infrastructure.
- 21 d. Expand landfill capacity or reimburse flood-related waste disposal costs.
- 22 e. Raise roads or develop flood control structures.
- 23 f. Acquire property needed for floodway development or levy construction.
- 24 g. Acquire homes damaged by levy construction.
- 25 h. Provide reimbursement for other flood-related expenses.

26 **SECTION 12. LEGISLATIVE INTENT - FLOOD-IMPACTED POLITICAL SUBDIVISION**
27 **INFRASTRUCTURE DEVELOPMENT GRANTS.** The legislative assembly intends that the
28 moneys appropriated to and distributed by the commissioner of university and school lands for
29 flood-impacted political subdivision infrastructure development grants are to be used by
30 grantees to address needs not funded by other state or federal response or insurance
31 coverage.

1 **SECTION 13. APPROPRIATION - DEPARTMENT OF COMMERCE - FLOOD-RELATED**

2 **COSTS.** There is appropriated from special funds derived from federal funds the sum of
3 \$235,000,000, or so much of the sum as may be necessary, to the department of commerce for
4 the purpose of providing loans or grants to flood-impacted individuals, property acquisitions,
5 and infrastructure development grants to flood-impacted communities, for the period beginning
6 with the effective date of this Act and ending June 30, 2013.

7 **SECTION 14. APPROPRIATION - STATE DISASTER RELIEF FUND - DEPARTMENT OF**
8 **TRANSPORTATION - ROAD GRADE RAISING GRANTS.** Notwithstanding section 37-17.1-27,

9 there is appropriated out of any moneys in the state disaster relief fund in the state treasury, not
10 otherwise appropriated, the sum of \$6,000,000, or so much of the sum as may be necessary, to
11 the department of transportation for grants to eligible counties for federal aid-eligible road grade
12 raising projects, for the period beginning with the effective date of this Act and ending June 30,
13 2013. The director of the department of transportation shall distribute funds on a prorated basis
14 based on the total federal aid-eligible roadway damage occurring in the eligible counties. For
15 purposes of this section, an eligible county is one that contains any portion of a natural body of
16 water that comprises more than one hundred fifty thousand acres at current water levels and
17 has risen more than twenty-five feet since 1993.

18 **SECTION 15. APPROPRIATION - ADJUTANT GENERAL - STATE DISASTER RELIEF**

19 **FUND.** There is appropriated out of any moneys in the state disaster relief fund, not otherwise
20 appropriated, the sum of \$29,500,000, or so much of the sum as may be necessary, to the
21 adjutant general for the purposes of providing the required state share of funding for defraying
22 the expenses associated with presidentially declared state disasters, for the period beginning
23 with the effective date of this Act and ending June 30, 2013.

24 **SECTION 16. CONTINGENT APPROPRIATION - ADJUTANT GENERAL - 2012**

25 **DISASTERS.** If a disaster event occurring during 2012 exceeds \$50,000,000 in damages
26 across the state, there is appropriated out of any moneys in the state disaster relief fund in the
27 state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as
28 may be necessary, to the adjutant general for the purpose of providing grants to political
29 subdivisions for a portion of the local share required to match federal emergency relief funding
30 relating to the disaster, for the period beginning with the effective date of this Act and ending
31 June 30, 2013. A political subdivision may apply to the adjutant general for an emergency relief

1 grant under this subsection for up to fifty percent of the local match required to receive the
2 federal emergency relief funding.

3 **SECTION 17. APPROPRIATION - TRANSFER - STATE DISASTER RELIEF FUND.** The
4 office of management and budget shall transfer \$48,700,000 from the state general fund to the
5 state disaster relief fund during the period beginning with the effective date of this Act and
6 ending June 30, 2013.

7 **SECTION 18. STATE WATER COMMISSION - FLOODWAY PROPERTY ACQUISITION**
8 **AND CONSTRUCTION FUNDING.** In its future plans, the state water commission shall place a
9 high priority on providing funding for floodway property acquisitions and construction. The
10 funding must be used to supplement federal hazard mitigation grant funds or other federal funds
11 for acquiring property and for the construction of flood control projects in qualifying political
12 subdivisions, including necessary funding for any state or local match requirements. For
13 purposes of this section, qualifying political subdivisions are cities or counties that are eligible
14 for federal emergency management agency hazard mitigation grant funding or other
15 comparable federal programs for flood mitigation and have received, or are located within
16 counties that have received, an individual assistance designation by the federal emergency
17 management agency as a result of a flood event occurring during 2011.

18 **SECTION 19. APPROPRIATION - STATE WATER COMMISSION - RESOURCES TRUST**
19 **FUND.** There is appropriated out of any moneys in the resources trust fund, not otherwise
20 appropriated, the sum of \$50,000,000, or so much of the sum as may be necessary, to the state
21 water commission for the purpose of defraying the expenses of that agency, for the period
22 beginning with the effective date of this Act and ending June 30, 2013. As provided in section 4
23 of chapter 46 of the 2011 Session Laws, expenditures pursuant to this section require budget
24 section approval.

25 **SECTION 20. APPROPRIATION - ADJUTANT GENERAL - FLOOD-DAMAGED SCHOOL**
26 **INFRASTRUCTURE GRANTS.** There is appropriated out of any moneys in the general fund in
27 the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as
28 may be necessary, to the adjutant general for the purpose of providing flood-damaged school
29 infrastructure grants to eligible school districts in the state to defray expenses relating to school
30 buildings or other infrastructure damage due to flooding, for the period beginning with the
31 effective date of this Act and ending June 30, 2013. For the purposes of this section, an eligible

1 school district is a school district that experienced a flood event during the summer of 2011
2 which resulted in multiple school facilities being damaged and determined to be unusable.

3 **SECTION 21. APPROPRIATION - FULL-TIME EQUIVALENT POSITIONS - HIGHWAY**

4 **PATROL.** There is appropriated out of any moneys in the general fund in the state treasury, not
5 otherwise appropriated, the sum of \$681,870, or so much of the sum as may be necessary, to
6 the highway patrol for the purpose of hiring additional patrol officers, for the period beginning
7 with the effective date of this Act and ending June 30, 2013. The highway patrol is authorized
8 four additional full-time equivalent positions.

9 **SECTION 22. FLEX PACE PROGRAM USE.** The Bank of North Dakota shall utilize the flex
10 partnership in assisting community expansion program to assist in financing of affordable
11 multifamily housing units for individuals in areas of North Dakota affected by oil and gas
12 development, for the period beginning with the effective date of this Act and ending June 30,
13 2013.

14 **SECTION 23. CONTINGENT APPROPRIATION - TRANSFER - OIL AND GAS IMPACT**

15 **GRANT FUND.** There is appropriated out of any moneys in the general fund in the state
16 treasury, not otherwise appropriated, the sum of \$30,000,000, or so much of the sum as may be
17 necessary, which the office of management and budget shall transfer to the oil and gas impact
18 grant fund during the period beginning April 1, 2012, and ending June 30, 2013. The office of
19 management and budget may transfer this funding only if the tax commissioner certifies that
20 total oil and gas tax revenue collections for the period July 1, 2011, through February 29, 2012,
21 exceed total oil and gas tax revenue collection projections for that period by at least
22 \$48,000,000, based on legislative estimates made at the close of the 2011 regular legislative
23 session.

24 **SECTION 24. CONTINGENT APPROPRIATION - LAND DEPARTMENT - OIL AND GAS**

25 **IMPACT GRANTS.** If the office of management and budget transfers \$30,000,000 from the
26 general fund to the oil and gas impact grant fund in accordance with provisions of section 23 of
27 this Act, there is appropriated out of any moneys in the oil and gas impact grant fund in the state
28 treasury, not otherwise appropriated, the sum of \$30,000,000, or so much of the sum as may be
29 necessary, to the commissioner of university and school lands for providing oil and gas impact
30 grants in accordance with sections 57-62-03.1 and 57-62-05, for the period beginning April 1,
31 2012, and ending June 30, 2013. The commissioner of university and school lands shall request

1 appropriation authority for the 2013-15 biennium for any grants approved but not distributed by
2 the end of the 2011-13 biennium. In determining grant awards with the funds appropriated in
3 this section, the commissioner shall give priority to grants relating to emergency services,
4 including licensed emergency medical services operations, fire districts and departments, sheriff
5 offices, and police departments providing service in an area affected by oil and gas
6 development. Any amounts made available for emergency services grants under this section
7 are not to be considered in making grant recommendations under section 57-62-05.

8 **SECTION 25. APPROPRIATION - TRANSFER - OIL AND GAS IMPACT GRANT FUND.**

9 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise
10 appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, which the
11 office of management and budget shall transfer to the oil and gas impact grant fund only as
12 necessary to provide funding for grants distributed under section 26 of this Act during the period
13 beginning with the effective date of this Act and ending June 30, 2013.

14 **SECTION 26. APPROPRIATION - LAND DEPARTMENT - OIL AND GAS IMPACT**

15 **GRANT FUND.** There is appropriated out of any moneys in the oil and gas impact grant fund in
16 the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as
17 may be necessary, to the commissioner of university and school lands for the purpose of
18 providing distributions to eligible counties experiencing new oil and gas development activities,
19 for the period beginning with the effective date of this Act and ending June 30, 2013. As
20 determined by the director of the department of mineral resources, a county is eligible for a
21 distribution under this section if the county produced fewer than one hundred thousand barrels
22 of oil for the month of November 2011 and after November 2011 the number of active oil rigs
23 operating in the county in any one month exceeds four rigs. Upon the determination by the
24 director of the department of mineral resources that a county is eligible for a distribution under
25 this section, the commissioner of university and school lands shall provide \$1,250,000 to the
26 county for defraying expenses associated with oil and gas development impacts in the county.
27 The county, in determining the use of the funds received, shall consider and, to the extent
28 possible, address the needs of other political subdivisions in the county resulting from the
29 impact of oil and gas development.

30 **SECTION 27. CONTINGENT APPROPRIATION - STATE TREASURER -**
31 **TRANSPORTATION FUNDING DISTRIBUTIONS TO NON-OIL-PRODUCING POLITICAL**

1 **SUBDIVISIONS.** If the tax commissioner certifies that total oil and gas tax revenue collections
2 for the period July 1, 2011, through February 29, 2012, exceed total oil and gas tax revenue
3 collection projections for that period by at least \$48,000,000, based on legislative estimates
4 made at the close of the 2011 regular legislative session, there is appropriated out of any
5 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
6 \$23,000,000, or so much of the sum as may be necessary, to the state treasurer for the
7 purpose of providing transportation funding distributions, for the period beginning with the
8 effective date of this Act and ending June 30, 2013. The funding provided in this section is
9 considered a one-time funding item. The state treasurer shall distribute the funds provided
10 under this section on April 1, 2012, as follows:

- 11 1. Six million eight hundred thousand dollars to non-oil-producing counties and cities
12 pursuant to subsection 4 of section 54-27-19.
- 13 2. One million seven hundred thousand dollars to counties and townships in non-oil-
14 producing counties pursuant to section 54-27-19.1. Organized townships are not
15 required to provide matching funds to receive distributions under this section.
- 16 3. Fourteen million five hundred thousand dollars to counties and townships in
17 non-oil-producing counties through a distribution of \$10,000 to each organized
18 township and a distribution of \$10,000 for each unorganized township to the county in
19 which the unorganized township is located. If any funds remain after the distributions
20 provided under this subsection, the state treasurer shall distribute eighty percent of the
21 remaining funds to counties and cities pursuant to the method provided in
22 subsection 1 of this section and shall distribute twenty percent of the remaining funds
23 to counties and townships pursuant to the method provided in subsection 2 of this
24 section.

25 For purposes of this section, a "non-oil-producing county" means a county that received no
26 allocation of funding or a total allocation under section 57-51-15 of less than \$500,000 for state
27 fiscal year 2011. Any funds received by a county under this section for an unorganized township
28 distribution must be used for roadway purposes in those unorganized townships located in the
29 county. All funds distributed under this section must be used for extraordinary roadway
30 maintenance purposes.

1 **SECTION 28. APPROPRIATION - LITIGATION AND ADMINISTRATIVE PROCEEDINGS**

2 **COSTS - REPORT TO BUDGET SECTION.** There is appropriated out of any moneys in the
3 general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so
4 much of the sum as may be necessary, to the industrial commission for the purpose of defraying
5 expenses associated with possible litigation and other administrative proceedings involving the
6 United States environmental protection agency's effort to regulate hydraulic fracturing, for the
7 period beginning with the effective date of this Act and ending June 30, 2013. The industrial
8 commission may spend the general fund moneys appropriated in this section only for expenses
9 relating to possible litigation and other administrative proceedings involving the United States
10 environmental protection agency's efforts to regulate hydraulic fracturing and any moneys not
11 spent must be canceled pursuant to section 54-44.1-11. The industrial commission shall report
12 quarterly to the budget section during the 2011-12 interim regarding the status of any litigation
13 and other administrative proceedings.

14 **SECTION 29. FLOOD RESPONSE AND COORDINATION STUDY - REPORT TO**

15 **SIXTY-THIRD LEGISLATIVE ASSEMBLY.** The department of emergency services shall
16 coordinate an executive branch study of flood response measures and coordination of state,
17 local, and federal resources to mitigate future flooding in the state. The department of
18 emergency services shall utilize all relevant executive branch resources in conducting the study.
19 The study must include potential flood plain building restrictions, establishment of permanent
20 levees and diversion works, financial institution lending policies, Bank of North Dakota and
21 housing finance agency acquisition of secondary market loans regarding flood insurance
22 requirements for housing, and any other flood insurance issues affecting property owners in the
23 state. The department of emergency services shall report the findings and recommendations of
24 the study to committees designated by the chairman of the legislative management and to the
25 sixty-third legislative assembly.

26 **SECTION 30. CONTINGENT APPROPRIATION - DEPARTMENT OF COMMERCE -**

27 **FLOOD-RELATED COSTS.** There is appropriated out of any moneys in the general fund in the
28 state treasury, not otherwise appropriated, the sum of \$235,000,000, or so much of the sum as
29 may be necessary, to the department of commerce for the purpose of providing loans or grants
30 to flood-impacted individuals, property acquisitions, and infrastructure development grants to
31 flood-impacted communities, for the period beginning with the effective date of this Act and

1 ending June 30, 2013. The funding provided in this section is available only to the extent
2 federal funds received by the department and appropriated in section 13 of this Act are less
3 than \$235,000,000, for the period beginning with the effective date of this Act and ending
4 June 30, 2013.

5 **SECTION 31. EXEMPTION.** The amount appropriated to the commissioner of university
6 and school lands pursuant to section 10 of this Act is not subject to the provisions of section
7 54-44.1-11. Any unexpended funds from this appropriation are available for continuing the grant
8 program authorized by this Act during the biennium beginning July 1, 2013, and ending
9 June 30, 2015.

10 **SECTION 32. RETROACTIVE APPLICATION.** Section 6 of this Act applies retroactively to
11 July 1, 2011.

12 **SECTION 33. EFFECTIVE DATE.** This Act becomes effective November 14, 2011.

13 **SECTION 34. EXPIRATION DATE.** Section 2 of this Act is effective through December 31,
14 2013, and is thereafter ineffective. Sections 3 and 4 of this Act are effective for the first two
15 taxable years beginning after December 31, 2010, and are thereafter ineffective.