17.8141.01000

Sixty-fifth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1080

Introduced by

Appropriations Committee

(At the request of the Governor)

A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission; to amend and reenact section 61-02-78 of the North Dakota Century Code, relating to revenues of the infrastructure revolving loan fund; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from federal funds and other income, to the state water commission for the purpose of defraying the expenses of the state water commission, for the biennium beginning July 1, 2017, and ending June 30, 2019, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Administrative and support services	$5,535,618	$125,021	$5,660,639
Water and atmospheric resources	863,400,218	(144,297,268)	719,102,950
Total all funds	$868,935,836	$144,172,247	$724,763,589
Full-time equivalent positions	97.00	(1.00)	96.00

SECTION 2. ADDITIONAL INCOME - APPROPRIATION. In addition to the amounts included in the estimated income line item in section 1 of this Act, any additional amounts in the resources trust fund and water development trust fund that become available are appropriated to the state water commission for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 3. GRANTS - WATER-RELATED PROJECTS - CARRYOVER AUTHORITY. Section 54-44.1-11 does not apply to funding for grants or water-related projects included in the water and atmospheric resources line item in section 1 of this Act. However, this exclusion is only in effect for two years after June 30, 2017. Any unexpended funds appropriated from the

resources trust fund after that period has expired must be transferred to the resources trust fund and any unexpended funds appropriated from the water development trust fund after that period has expired must be transferred to the water development trust fund.

SECTION 4. AMENDMENT. Section 61-02-78 of the North Dakota Century Code is amended and reenacted as follows:

61-02-78. Infrastructure revolving loan fund - Continuing appropriation - Rules.

1. An infrastructure revolving loan fund is established on January 1, 2015, within the resources trust fund to provide loans for water supply, flood protection, or other water development and water management projects. Ten percent of oil extraction moneys deposited in the resources trust fund are made available on a continuing basis for making loans in accordance with this section. When the cash balance in the infrastructure revolving loan fund reaches ten million dollars, allocation of revenues into the infrastructure revolving loan fund under this section are suspended. If after suspension of funding the balance in the infrastructure revolving loan fund is at a total of less than seven million dollars, allocation of funds into the infrastructure revolving loan fund recommence. Accounts may be established in the resources trust fund as necessary for its management and administration.
2. The commission shall consider the following information when evaluating projects:
   a. A description of the nature and purposes of the proposed infrastructure project, including an explanation of the need for the project, the reasons why it is in the public interest, and the overall economic impact of the project.
   b. The estimated cost of the project and the amount of the loan sought and other proposed sources of funding.
   c. The extent to which completion of the project will provide a benefit to the state or regions within the state.
3. The commission shall approve projects and loans from the infrastructure loan fund, and the Bank of North Dakota shall manage and administer loans from the infrastructure loan fund and individual accounts in the fund. The commission may adopt policies for the review and approval of loans under this section. Loans made under this section must be made at an interest rate of one and one-half percent.

4. Annually the Bank of North Dakota may deduct a service fee of one-half of one percent for administering the infrastructure loan fund.

5. Projects not eligible for the state revolving fund will be given priority for these funds.