

Introduced by

Appropriations Committee

(At the request of the Governor)

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

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

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

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>	
10				
11				
12	Administrative and support services	\$5,535,618	\$125,021	\$5,660,639
13	Water and atmospheric resources	<u>863,400,218</u>	<u>(144,297,268)</u>	<u>719,102,950</u>
14	Total all funds	\$868,935,836	\$144,172,247	\$724,763,589
15	Full-time equivalent positions	97.00	(1.00)	96.00

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

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

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

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

6 **61-02-78. Infrastructure revolving loan fund - Continuing appropriation - Rules.**

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

Sixty-fifth  
Legislative Assembly

- 1        4.    Annually the Bank of North Dakota may deduct a service fee of one-half of one
- 2                percent for administering the infrastructure loan fund.
- 3        5.    Projects not eligible for the state revolving fund will be given priority for these funds.