



Bank of North Dakota

House Government Operations Sub-Committee

March 24, 2021

Proposed Increases and New Programs Administered by BND 2021 Legislative Session

Bill #	Current & Proposed Admin Programs	Current Fund Size	Total Loans	Proposed Increase	Proposed Fund Size
HB1431	School Construction (SCALF)	\$ 306,100,000	46	TBD	\$ 306,100,000
SB2230	BND IRLF	\$ 175,000,000	58	\$ 50,000,000	\$ 225,000,000
HB1187	Fuel Production Loan Guarantee	\$ 50,000,000	5	\$ 50,000,000	\$ 100,000,000
	Small Employer Loan Fund (SELF)	\$ 50,000,000	886	Proposed Merge	\$ 50,000,000
	Medical Facility	\$ 50,000,000	7	-	\$ 50,000,000
HB1380	Community Water Loan Fund	\$ 35,000,000	39	Proposed Merge	\$ 35,000,000
HB1380	State Water IRLF	\$ 26,000,000	16	Proposed Merge	\$ 26,000,000
HB1141	LIFT	\$ 15,000,000	20	\$ 15,000,000	\$ 30,000,000
HB1187	Rebuilders Loan Program	\$ 20,500,000	1123	Proposed Merge	\$ 20,500,000
	Trust Lands	\$ 10,600,000	35	-	\$ 10,600,000
	Health Information Technology	\$ 9,400,000	28	-	\$ 9,400,000
SB2014	Long Term Care	\$ 4,200,000	13	\$ 100,000,000	\$ 104,200,000
	Addiction Counselor Internship	\$ 200,000		-	\$ 200,000
HB1380	Economic Diversification Research Fund			\$ 31,350,000	\$ 31,350,000
HB1215	Park District Loan Fund			\$ 25,000,000	\$ 25,000,000
HB1425	Legacy Infrastructure Loan Fund			\$ 300,000,000	\$ 300,000,000
HB1431	Bond Proceed Distributions			\$ 1,200,000,000	\$ 1,200,000,000
HB1475	Agriculture Innovation Fund			\$ 20,000,000	\$ 20,000,000
	Total Administered Funds	\$ 752,000,000		\$ 1,791,350,000	\$ 2,543,350,000

Proposed New Programs

Proposed Program Expansions

Pursuant to the bonding authority under section 6-09.4-06, the public finance authority may issue up to \$\$\$\$ of bonds for transfer to the Bank of North Dakota for allocations to infrastructure projects and programs, for the biennium beginning July 1, 2021, and ending June 30, 2023



BND Analysis of Hours Per Loan Required in Administrated Programs

Program	Programs Administered - Hours per Loan										
	Info Gathering	Underwriting	After Approval	Boarding	Funding	Operations	Subtotal	Accounting	Trust	Operations	Total
LIFT	4	4	4	5	2.5	4	2	21.5			
IRLF	4	4	4	2	2	8	1	21			
SCALF	4	4	4	2	2	8	1	21			
SWC	4	4	4	2	2	2	1	15			
State	4	4	4	2	2.5	1	1	14.5			
Critical Needs	4	4	4	2	2	8	1	21			
Medical Facility	4	4	8	16	2.5	8	1	39.5			
Park District	4	4	4	2	2	8	1	21			
Ag Innovation	4	4	4	5	2.5	4	2	21.5			
Long Term Care	4	4	8	16	2.5	8	1	39.5			
SIIF Guarantee	4	4	4	2	2	8	1	21			

Year	Programs Administered - Estimated Hours per Process													
	Specific per Loan							Program Administration			Total	FTE		
Info Gathering	Underwriting	After Approval	Boarding	Funding	Operations	Subtotal	Accounting	Trust	Audit	Administrator			Subtotal	
Low	320	336	282	175.5	463	102	1678.5	160	10	5	671.4	846.4	4203.4	2.5
Medium	572	596	502	313.5	855	187	3025.5	320	20	10	1210.2	1560.2	7611.2	4.5
High	828	860	724	453.5	1249	273	4387.5	480	30	15	1755	2280	11055	6.5

BND Proposed Additional Staffing 2021-2023 Biennium

Proposed Positions

Position Description	FTE	Paygrade	Midpoint	Benefits	Total
Business Banker II	1	B08	\$ 102,000	\$ 40,800	\$ 142,800
Business Banking Associate III	1	B04	\$ 55,008	\$ 22,003	\$ 77,011
Business Banking Associate III	0.5	B04	\$ 30,000	\$ 12,000	\$ 42,000
Credit Underwriter II	1	B05	\$ 65,004	\$ 26,002	\$ 91,006
Credit Underwriter III	1	B06	\$ 75,000	\$ 30,000	\$ 105,000
Additional Budget Funding	4.5				\$ 457,817

Operational Increases

Operations	Base Level	Senate Adjustments	Proposed Adjustment	Proposed Appropriation
BND Operations	\$ 62,847,799	\$ 3,246,572	\$ 924,790	\$ 67,019,161
Capital Assets	\$ 1,510,000	\$ -	\$ -	\$ 1,510,000
Full-Time Equivalent Positions	181.5	(10.00)	4.5	176

Bank of North Dakota—Capital Worksheet

March 19, 2021

March 19, 2021

2021 Legislation Impacting BND Capital					
House/Senate Bill No.	Latest Status	Agency/Borrower	Amount	Bill Description	Repayment
SB 2014	Passed Senate House Committee Work	Industrial Commission	\$180,000,000	NDIC Appropriation Bill includes BND capital transfer of \$140 million to General Fund. Additional transfer of \$40 million to various buydown loan funds.	NA
HB 1009	Passed House Senate Committee Work	Department of Agriculture	\$3,000,000	Transfer \$2.7 million to AFUC and \$300K to the Ag Commissioner's operating fund for a soil health cover crop grant program.	NA
TOTAL CAPITAL IMPACT			\$183,000,000		

2021 Legislation Impacting State Agency Borrowing Authority From BND					
BND Direct Funding					
House/Senate Bill No.	Latest Status	Agency/Borrower	Amount	Bill Description	Repayment
HB 1020	Passed House Senate Approvs 3/22	State Water Commission	\$75,000,000	Reauthorizes up to a \$75 million line of credit for funding water projects.	Resources Trust Fund/Other funds appropriated
HB 1087	Passed House Senate Do Pass 6-0, Senate Approvs 3/24	Reinsurance Association	\$25,000,000	Eliminates expiration date for line of credit authorized in 2019 session. Line of credit for member reimbursements.	Assessments against insurers
SB 2004	Passed Senate House Committee Work	Department of Health	\$25,000,000	Provide funds if needed for additional expenses for responding to the COVID-19 pandemic.	Legislative Appropriation/Deficiency Appropriation
SB 2012	Passed Senate House Committee Work	Department of Transportation	\$50,000,000	Contingent \$50 million loan, to match federal funds, for Highway 85 project, if bond proceeds are not allocated to the project.	Legislative Appropriation
TOTAL AGENCY LOANS			\$175,000,000		

2021 Legislation Impacting BND Loan Programs From BND Other Funding Sources					
HB 1008	Passed House Senate Committee Work	Administered by BND	\$900,000	Transfer from Beginning Farmer Revolving Loan Fund to Public Service Commission to pay costs of rail rate complaint case	Potentially from proceeds received from rail complaint case
HB 1141	Senate Referred to Approps	Administered by BND	\$30,000,000	Transfer from SIF to the Innovation Loan Fund (LIFT)	NA
HB 1187	Passed House Senate Approps 3/25	Administered by BND	\$50,000,000	Transfer Rebuilders Loan Program and Small Employer Loan Fund to create a Rebuilders Permanent Loan Fund	NA
HB 1216	Passed House Senate ENR 3/12	Administered by BND	\$25,000,000	Creates Park District Loan Fund. 10% of oil extraction taxes deposited into Outdoor Heritage Fund, not to exceed \$25 million are transferred to the Park District Loan Fund	NA
HB 1380	Passed House Senate Finance 3/17	Administered by BND	\$40,000,000	Legacy earnings formula - provides for bond sinking and interest and \$40 million to RLF	NA
HB 1426	Passed House Senate Referred to Approps	Administered by BND	\$750,000,000	10% of Legacy fund fixed income investments targeted as 40% for infrastructure loans to political subdivisions and 80% for MATCH loan program	NA
HB 1431	Passed House Senate Finance 3/17	Administered by BND	\$680,000,000	Public Finance Authority may issued up to \$680 million of bonds to be transferred to BND. \$50 million of bond proceeds to the infrastructure revolving loan fund and transfer of community water loan fund and RTF revolving loan fund to the water infrastructure revolving loan fund	General Fund, Legacy Fund earnings or BND profits
HB 1476	Passed House Senate Agriculture 3/12	Administered by BND	\$5,000,000	Administer agriculture innovation fund for value-added agriculture businesses	NA
SB 2014	Passed Senate House Committee Work	Administered by BND	\$100,000,000	Administer long term care loan fund. Loan repayments returned to General Fund	General Fund, Legacy Fund earnings or BND profits
SB 2021	Passed Senate House Committee Work	Administered by BND	\$6,000,000	Transfer from Health Information Technology Loan Fund to Health Information Technology Operating Service Fund	NA
SB 2230	Passed Senate House Referred to Approps	BND Loan Guarantee	\$50,000,000	Increases SIF loan guarantee from \$50 million to \$100 million	NA
		TOTAL LOAN PROGRAMS	\$1,736,900,000		