

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2177

Introduced by

Senators Thomas, Conley, Hogue

Representatives Hagert, Schreiber-Beck, Lefor

1 A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota
2 Century Code, relating to an animal agriculture facility infrastructure fund; to amend and reenact
3 subsection 9 of section 11-23-02 and section 57-39.2-26 of the North Dakota Century Code,
4 relating to county budget limits and the allocation of sales tax revenue; ~~and~~ to provide a
5 continuing appropriation; and to provide an expiration date.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7 **SECTION 1. AMENDMENT.** Subsection 9 of section 11-23-02 of the North Dakota Century
8 Code is amended and reenacted as follows:

9 9. The amount of cash reserve for the general fund and each special revenue fund, not
10 to exceed seventy-five percent of the appropriation for the fund. This subsection does
11 not apply to the cash reserve for the infrastructure development fund.

12 **SECTION 2. AMENDMENT.** Section 57-39.2-26 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **57-39.2-26. Allocation of revenue. (Effective through June 30, 2027)**

15 Except as provided by sections 57-39.2-26.1, 57-39.2-26.2, 57-39.2-26.3, ~~and~~ 57-39.2-26.4,
16 and section 23 of this Act, all moneys collected and received under this chapter must be paid
17 into the state treasury and must be credited by the state treasurer to the general fund. Moneys
18 deposited with the commissioner as security for the payment of tax, penalties, or costs due
19 must be deposited and accounted for as provided in subsection 3 of section 57-39.2-12.

1 **Allocation of revenue. (Effective after June 30, 2027)** Except as provided by sections
2 | 57-39.2-26.1 and, 57-39.2-26.2, and section **23** of this Act, all moneys collected and received
3 | under this chapter must be paid into the state treasury and must be credited by the state
4 | treasurer to the general fund. Moneys deposited with the commissioner as security for the
5 | payment of tax, penalties, or costs due must be deposited and accounted for as provided in
6 | subsection 3 of section 57-39.2-12.

7 **SECTION 3.** A new section to chapter 57-39.2 of the North Dakota Century Code is created
8 | and enacted as follows:

9 **Animal agriculture facility infrastructure fund - State treasurer - Continuing**
10 | **appropriation.**

- 11 1. The animal agriculture facility infrastructure fund is created as a special fund in the
12 | state treasury. The fund consists of all moneys transferred to the fund under
13 | subsection 2. All moneys in the fund are appropriated to the ~~the~~ state treasurer on a
14 | continuing basis for the purpose of providing distributions to counties.
- 15 2. Notwithstanding any other provision of law, after the allocations under sections
16 | 57-39.2-26.1, 57-39.2-26.2, 57-39.2-26.3, and 57-39.2-26.4, a portion of sales, gross
17 | receipts, and use tax collections equal to the combined total of the amounts **certified**
18 | under subsection **34**, **not to exceed five hundred thousand dollars per year**, must be
19 | deposited by the state treasurer in the animal agriculture facility infrastructure fund as
20 | needed. ~~The tax commissioner shall calculate the amount needed for distributions~~
21 | ~~under subsection 3 and shall certify to the state treasurer the portion of sales, gross~~
22 | ~~receipts, and use tax net revenues that must be deposited in the fund to provide for~~
23 | ~~the distributions.~~
- 24 3. ~~At least once~~ **Once** per ~~fiscal~~ year, the state treasurer shall distribute to each county
25 | the amount certified by the tax commissioner **under subsection 4**. **If the amount**
26 | **certified for a year exceeds five hundred thousand dollars, the state treasurer shall**
27 | **distribute the funding on a pro rata basis.**
- 28 4. The amount certified by the tax commissioner ~~each fiscal year~~ for each county is the
29 | sum of the state portion of sales, gross receipts, and use tax ~~imposed~~ **due** under this
30 | title on eligible tangible personal property purchased to construct ~~or repair~~ **new or to**
31 | **expand, upgrade, or replace existing** animal agriculture facilities located in the county

1 ~~or to operate or repair, including the purchase of new~~ equipment used in animal
2 agriculture facilities ~~located in the county, based on documentation of proof of~~
3 ~~purchase~~ submitted to the tax commissioner ~~during the fiscal year~~ by the facility owner,
4 facility operator, or a contractor.

5 5. Documentation of proof of purchase, including any required supporting documentation,
6 must be submitted in the form and manner prescribed by the tax commissioner. The
7 documentation for eligible tangible personal property submitted under this section
8 must equal a taxable value of at least five hundred thousand dollars purchased during
9 the calendar year and must be submitted by March thirty-first of the subsequent year.
10 For purposes of this section, "animal agriculture facility" means a building or structure
11 where an animal is kept, handled, housed, or bred.

12 ~~4.6. A county shall use the funding distributed under this section~~ Upon receipt of the funding
13 distributed under this section, the county treasurer shall deposit the funding into an
14 infrastructure development fund. The infrastructure development fund consists only of
15 the funding distributed under this section and may be used only for infrastructure
16 projects near animal agriculture facilities located in the county or for other county
17 expenses. Pursuant to section 11-23-02, the cash reserve in the county's
18 infrastructure development fund may exceed the limit for the fund.

19 7. An organized township within the county may request a portion of the funding from the
20 county's infrastructure development fund for township road projects near animal
21 agriculture facilities located in the township, and the county treasurer may distribute
22 the requested funding to the organized township upon approval by the board of county
23 commissioners.

24 **SECTION 4. EXPIRATION DATE.** This Act is effective through June 30, 2029, and after that
25 date is ineffective.