

**Sixty-ninth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2177  
(Senators Thomas, Conley, Hogue)  
(Representatives Hagert, Schreiber-Beck, Lefor)

AN ACT to create and enact a new section to chapter 57-39.2 of the North Dakota Century Code, relating to an animal agriculture facility infrastructure fund; to amend and reenact subsection 9 of section 11-23-02 and section 57-39.2-26 of the North Dakota Century Code, relating to county budget limits and the allocation of sales tax revenue; to provide a continuing appropriation; and to provide an expiration date.

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

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

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

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

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

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, and section 3 of this Act, all moneys collected and received under this chapter must be paid into the state treasury and must be credited by the state treasurer to the general fund. Moneys deposited with the commissioner as security for the payment of tax, penalties, or costs due must be deposited and accounted for as provided in subsection 3 of section 57-39.2-12.

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

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

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

1. The animal agriculture facility infrastructure fund is created as a special fund in the state treasury. The fund consists of all moneys transferred to the fund under subsection 2. All moneys in the fund are appropriated to the state treasurer on a continuing basis for the purpose of providing distributions to counties.
2. Notwithstanding any other provision of law, after the allocations under sections 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 receipts, and use tax collections equal to the combined total of the amounts certified under subsection 4, not to exceed five hundred thousand dollars per year, must be deposited by the state treasurer in the animal agriculture facility infrastructure fund as needed.

3. Once per year, the state treasurer shall distribute to each county the amount certified by the tax commissioner under subsection 4. If the amount certified for a year exceeds five hundred thousand dollars, the state treasurer shall distribute the funding on a pro rata basis.
4. The amount certified by the tax commissioner for each county is the sum of the state portion of sales, gross receipts, and use tax due under this title on eligible tangible personal property purchased to construct new or to expand, upgrade, or replace existing animal agriculture facilities located in the county, including the purchase of new equipment used in animal agriculture facilities, based on documentation submitted to the tax commissioner by the facility owner, facility operator, or a contractor.
5. Documentation, including any required supporting documentation, must be submitted in the form and manner prescribed by the tax commissioner. The documentation for eligible tangible personal property submitted under this section must equal a taxable value of at least three hundred thousand dollars purchased during the calendar year and must be submitted by March thirty-first of the subsequent year. For purposes of this section, "animal agriculture facility" means a building or structure where an animal is kept, handled, housed, or bred.
6. Upon receipt of the funding distributed under this section, the county treasurer shall deposit the funding into an infrastructure development fund. The infrastructure development fund consists only of the funding distributed under this section and may be used only for infrastructure projects near animal agriculture facilities located in the county or for other county expenses. Pursuant to section 11-23-02, the cash reserve in the county's infrastructure development fund may exceed the limit for the fund.
7. An organized township within the county may request a portion of the funding from the county's infrastructure development fund for township road projects near animal agriculture facilities located in the township, and the county treasurer may distribute the requested funding to the organized township upon approval by the board of county commissioners.

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

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President of the Senate

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Speaker of the House

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Secretary of the Senate

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Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2177.

Senate Vote:    Yeas 46            Nays 0            Absent 1

House Vote:    Yeas 71            Nays 21           Absent 2

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Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2025.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2025.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2025,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

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Secretary of State