

Sixty-fourth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1014

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 industrial
2 commission and the agencies under the management of the industrial commission; to provide a
3 continuing appropriation; to provide a contingent appropriation; to authorize transfers; ~~to provide~~
4 ~~legislative intent;~~to create and enact a new section to chapter 6-09; to amend and reenact
5 sections 54-17-40, 54-17-41, 54-17.5-02, and 57-38-01.32 of the North Dakota Century Code
6 and section 22 of chapter 579 of the 2011 Session Laws, relating to the housing incentive fund
7 credits, the lignite research council, and the use of the flex PACE program; ~~and to provide~~
8 exemptions; to provide legislative intent; to provide for reports to legislative management; to
9 provide an expiration date; and to declare an emergency.

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

11 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
12 as may be necessary, are appropriated out of any moneys in the general fund in the state
13 treasury, not otherwise appropriated, and from special funds derived from federal funds and
14 other income, to the state industrial commission and agencies under its control for the purpose
15 of defraying the expenses of the state industrial commission and agencies under its control, for
16 the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

17 Subdivision 1.

18 INDUSTRIAL COMMISSION

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21 Salaries and wages	\$17,873,876	\$4,345,078	\$22,218,954
22 Accrued leave payments	347,696	(347,696)	0
23 Operating expenses	4,775,576	1,552,846	6,328,422
24 Grants	19,500,000	(14,500,000)	5,000,000

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1	Grants - bond payments	19,809,969	(4,769,140)	15,040,829
2	Total all funds	\$62,307,117	(\$13,718,912)	\$48,588,205
3	Less estimated income	40,973,792	(23,974,385)	16,999,407
4	Total general fund	\$21,333,325	\$10,255,473	\$31,588,798
5	Full-time equivalent positions	98.75	16.00	114.75
6	Salaries and wages	\$17,873,876	\$6,302,505	\$24,176,381
7	Accrued leave payments	347,696	(347,696)	0
8	Operating expenses	4,775,576	4,595,154	9,370,730
9	Capital assets	0	13,666,822	13,666,822
10	Grants	19,500,000	(14,500,000)	5,000,000
11	Grants - bond payments	19,809,969	(4,769,140)	15,040,829
12	Total all funds	\$62,307,117	\$4,947,645	\$67,254,762
13	Less estimated income	40,973,792	(23,979,345)	16,994,447
14	Total general fund	\$21,333,325	\$28,926,990	\$50,260,315
15	Full-time equivalent positions	98.75	28.00	126.75

Subdivision 2.

BANK OF NORTH DAKOTA - OPERATIONS

	Base Level	Adjustments or Enhancements	Appropriation	
20	Bank of North Dakota operations	\$51,523,916	\$7,156,915	\$58,680,831
21	Accrued leave payments	881,231	(881,231)	0
22	Capital assets	745,000	0	745,000
23	Total special funds	\$53,150,147	\$6,275,684	\$59,425,831
24	Bank of North Dakota operations	\$51,523,916	\$7,018,385	\$58,542,301
25	Accrued leave payments	881,231	(881,231)	0
26	Capital assets	745,000	17,000,000	17,745,000
27	Total special funds	\$53,150,147	\$23,137,154	\$76,287,301
28	Full-time equivalent positions	179.50	2.00	181.50

Subdivision 3.

MILL AND ELEVATOR ASSOCIATION

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
1			
2			
3	Salaries and wages	\$29,141,750	\$6,837,821
4	<u>Salaries and wages</u>	<u>\$29,141,750</u>	<u>\$7,137,148</u>
5	Accrued leave payments	575,807	(575,807)
6	Operating expenses	21,796,000	5,531,000
7	Contingencies	400,000	100,000
8	Agriculture promotion	<u>210,000</u>	<u>0</u>
9	Total from mill and elevator fund	\$52,123,557	\$11,893,014
10	<u>Total from mill and elevator fund</u>	<u>\$52,123,557</u>	<u>\$12,192,341</u>
11	Full-time equivalent positions	135.00	12.00

Subdivision 4.

HOUSING FINANCE AGENCY

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14			
15			
16	Salaries and wages	\$7,434,877	\$343,660
17	<u>Salaries and wages</u>	<u>\$7,434,877</u>	<u>\$310,157</u>
18	Accrued leave payments	147,806	(147,806)
19	Operating expenses	3,791,758	(47,483)
20	Grants	29,533,050	(3,602,270)
21	Housing finance agency contingencies	<u>100,000</u>	<u>0</u>
22	Total special funds	\$41,007,491	(\$3,453,899)
23	<u>Total special funds</u>	<u>\$41,007,491</u>	<u>(\$3,487,402)</u>
24	Full-time equivalent positions	46.00	0.00

Subdivision 5.

BILL TOTAL

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
27			
28			
29	Grand total general fund	\$21,333,325	\$10,255,473
30	Grand total special funds	187,254,987	(9,259,586)
31	Grand total all funds	\$208,588,312	\$995,887

1	<u>Grand total general fund</u>	<u>\$21,333,325</u>	<u>\$38,926,990</u>	<u>\$60,260,315</u>
2	<u>Grand total special funds</u>	<u>187,254,987</u>	<u>7,862,748</u>	<u>195,117,735</u>
3	<u>Grand total all funds</u>	<u>\$208,588,312</u>	<u>\$46,789,738</u>	<u>\$255,378,050</u>

4 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

5 **SIXTY-FIFTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
6 items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-
7 17 one-time funding items included in the grand total appropriation in section 1 of this Act:

8	<u>One-Time Funding Description</u>	<u>2013-15</u>	<u>2015-17</u>
9	Oil-bearing rock study	\$80,000	\$0
10	Possible litigation	1,000,000	0
11	<u>Possible litigation</u>	<u>1,000,000</u>	<u>2,500,000</u>
12	Core library - architect services	25,000	0
13	Temperature profiles study	50,000	0
14	Wide-bed plotter	5,800	0
15	Lignite research council grants	0	5,000,000
16	All-terrain vehicles	0	41,500
17	Aerial photography	0	104,143
18	Contract analysis	0	125,000
19	Digital conversion	0	100,000
20	Migration to RBDMS.net	0	250,000
21	<u>Financial center project</u>	<u>0</u>	<u>17,000,000</u>
22	<u>Core library expansion project</u>	<u>0</u>	<u>13,625,322</u>
23	Medical loan program	50,000,000	0
24	Housing incentive fund	15,400,000	0
25	Flood housing grants	<u>1,500,000</u>	<u>0</u>
26	Total all funds	\$68,060,800	\$5,620,643
27	Total special fund	51,500,000	0
28	Total general fund	\$16,560,800	\$5,620,643
29	<u>Total all funds</u>	<u>\$68,060,800</u>	<u>\$38,745,965</u>
30	<u>Total special fund</u>	<u>51,500,000</u>	<u>17,000,000</u>
31	<u>Total general fund</u>	<u>\$16,560,800</u>	<u>\$21,745,965</u>

1 The 2015-17 one-time funding amounts are not a part of the entity's base budget for the
2 2017-19 biennium. The industrial commission shall report to the appropriations committees of
3 the sixty-fifth legislative assembly on the use of this one-time funding for the biennium
4 beginning July 1, 2015, and ending June 30, 2017.

5 **SECTION 3. LEGISLATIVE INTENT - BOND PAYMENTS.** The amount of \$15,040,829
6 included in subdivision 1 of section 1 of this Act in the grants - bond payments line item must be
7 paid from the following funding sources during the biennium beginning July 1, 2015, and ending
8 June 30, 2017:

9 North Dakota university system	\$8,368,836
10 North Dakota university system - energy conservation projects	491,161
11 Department of corrections and rehabilitation	1,279,524
12 Department of corrections and rehabilitation - energy conservation projects	16,206
13 State department of health	637,940
14 Job service North Dakota	427,131
15 Office of management and budget	664,952
16 Office of attorney general	765,483
17 State historical society	1,391,668
18 Parks and recreation department	73,592
19 Research and extension service	571,126
20 Veterans' home	<u>353,210</u>
21 Total	\$15,040,829

22 **SECTION 4. APPROPRIATION.** In addition to the amount appropriated to the housing
23 finance agency in subdivision 4 of section 1 of this Act, there is appropriated any additional
24 income or unanticipated income from federal or other funds which may become available to the
25 agency for the biennium beginning July 1, 2015, and ending June 30, 2017.

26 **SECTION 5. APPROPRIATION - EMERGENCY COMMISSION APPROVAL.** In addition to
27 the amount appropriated to the state industrial commission in subdivision 1 of section 1 of this
28 Act, there is appropriated, with the approval of the emergency commission, funds that may
29 become available to the commission from bonds authorized by law to be issued by the state
30 industrial commission for the biennium beginning July 1, 2015, and ending June 30, 2017.

1 | **SECTION 6. APPROPRIATION - TRANSFER - GENERAL FUND TO HOUSING**

2 **INCENTIVE FUND.** There is appropriated out of any moneys in the general fund in the state
3 treasury, not otherwise appropriated, the sum of \$10,000,000, which the office of management
4 and budget shall transfer to the housing incentive fund for the period beginning with the
5 effective date of this Act and ending June 30, 2017. The funding provided in this section is
6 considered a one-time funding item.

7 **SECTION 7. TRANSFER.** The sum of \$930,000, or so much of the sum as may be
8 necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of
9 this Act, may be transferred from the entities within the control of the state industrial commission
10 or entities directed to make payments to the industrial commission fund for administrative
11 services rendered by the commission. Transfers shall be made during the biennium beginning
12 July 1, 2015, and ending June 30, 2017, upon order of the commission. Transfers from the
13 student loan trust must be made to the extent permitted by sections 54-17-24 and 54-17-25.

14 **SECTION 8. TRANSFER - BANK OF NORTH DAKOTA - PARTNERSHIP IN ASSISTING**
15 **COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of \$28,000,000,
16 or so much of the sum as may be necessary, from the Bank's current earnings and undivided
17 profits to the partnership in assisting community expansion fund during the biennium beginning
18 July 1, 2015, and ending June 30, 2017.

19 **SECTION 9. TRANSFER - BANK OF NORTH DAKOTA - AGRICULTURE PARTNERSHIP**
20 **IN ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of
21 \$3,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and
22 undivided profits to the agriculture partnership in assisting community expansion fund during the
23 biennium beginning July 1, 2015, and ending June 30, 2017.

24 **SECTION 10. TRANSFER - BANK OF NORTH DAKOTA - BIOFUELS PARTNERSHIP IN**
25 **ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of
26 \$2,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and
27 undivided profits to the biofuels partnership in assisting community expansion fund during the
28 biennium beginning July 1, 2015, and ending June 30, 2017.

29 **SECTION 11. TRANSFER - BANK OF NORTH DAKOTA - BEGINNING FARMER**
30 **REVOLVING LOAN FUND.** The Bank of North Dakota shall transfer the sum of \$7,000,000, or
31 so much of the sum as may be necessary, from the Bank's current earnings and undivided

1 profits to the beginning farmer revolving loan fund during the biennium beginning July 1, 2015,
2 and ending June 30, 2017.

3 **SECTION 12. MILL AND ELEVATOR PROFITS - TRANSFER TO THE GENERAL FUND.**

4 Notwithstanding any other provision of law, the industrial commission shall transfer to the state
5 general fund ~~seventy-five~~fifty percent of the annual earnings and undivided profits of the North
6 Dakota mill and elevator association after any transfers to other state agricultural-related
7 programs or the sum of \$8,000,000, whichever is less. during the biennium beginning July 1,
8 2015, and ending June 30, 2017. The moneys must be transferred on an annual basis in the
9 amounts and at the times requested by the director of the office of management and budget.

10 **SECTION 13. BANK OF NORTH DAKOTA - MEDICAL PARTNERSHIP IN ASSISTING**

11 **COMMUNITY EXPANSION PROGRAM.** The Bank of North Dakota shall develop a medical
12 partnership in assisting community expansion program to assist in the financing of critical
13 access hospital medical infrastructure projects, for the period beginning with the effective date
14 of this Act and ending June 30, 2017. The Bank shall adopt policies and procedures to
15 implement this program. Notwithstanding section 6-09.14-03, the Bank may originate loans
16 under this program or participate with a lead financial institution. Eligible projects that receive
17 funding for an interest rate buydown under this program are not subject to the community
18 commitment requirement in section 6-09.14-03, the maximum interest rate buydown limitation in
19 subsection 4 of section 6-09.14-04, or the state grantor recipient reporting requirement in
20 section 54-60.1-05.

21 **SECTION 14. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM -**

22 **LIGNITE MARKETING FEASIBILITY STUDY.** The amount of \$4,500,000 from the lignite
23 research fund, or so much of the amount as may be necessary, may be used for the purpose of
24 contracting for an independent, nonmatching lignite marketing feasibility study or studies that
25 determine those focused priority areas where near-term, market-driven projects, activities, or
26 processes will generate matching private industry investment and have the most potential of
27 preserving existing lignite production and industry jobs or that will lead to increased
28 development of lignite and its products and create new lignite industry jobs and economic
29 growth for the general welfare of this state. Moneys appropriated under this section also may be
30 used for the purpose of contracting for nonmatching studies and activities in support of the
31 lignite vision 21 program; for litigation that may be necessary to protect and promote the

1 continued development of lignite resources; for nonmatching externality studies and activities in
2 externality proceedings; or other marketing, environmental, or transmission activities that assist
3 with marketing of lignite-based electricity and lignite-based byproducts. Moneys not needed for
4 the purposes stated in this section are available to the commission for funding projects,
5 processes, or activities under the lignite research, development, and marketing program.

6 **SECTION 15. CONTINGENT APPROPRIATION - INDUSTRIAL COMMISSION FUNDING.**

7 The amount of \$2,225,080 from the general fund and 10 full-time equivalent positions included
8 in subdivision 1 of section 1 of this Act may be spent only if the monthly average drilling rig
9 count exceeds 110 drilling rigs. The industrial commission shall notify the office of management
10 and budget and the legislative council each time one or more full-time equivalent positions is
11 authorized to be hired. For purposes of this section, the "monthly average drilling rig count"
12 means the number, rounded to the nearest whole number, calculated by dividing the sum of the
13 daily drilling rig counts for a calendar month by the number of days in the month. Of the
14 \$2,225,080 and the 10 full-time equivalent positions in this section, the industrial commission
15 may spend funding and hire full-time equivalent positions, as follows:

- 16 1. \$222,508, of which \$168,105 is from the salaries and wages line item and \$54,403 is
17 from the operating expenses line item, and one full-time equivalent position if the
18 monthly average drilling rig count exceeds 110 drilling rigs.
- 19 2. In addition to the funding and full-time equivalent positions authorized in subsection 1,
20 \$222,508, of which \$168,105 is from the salaries and wages line item and \$54,403 is
21 from the operating expenses line item, and one full-time equivalent position if the
22 monthly average drilling rig count exceeds 120 drilling rigs.
- 23 3. In addition to the funding and full-time equivalent positions authorized in subsections 1
24 and 2, \$222,508, of which \$168,105 is from the salaries and wages line item and
25 \$54,403 is from the operating expenses line item, and one full-time equivalent position
26 if the monthly average drilling rig count exceeds 130 drilling rigs.
- 27 4. In addition to the funding and full-time equivalent positions authorized in subsections 1
28 through 3, \$222,508, of which \$168,105 is from the salaries and wages line item and
29 \$54,403 is from the operating expenses line item, and one full-time equivalent position
30 if the monthly average drilling rig count exceeds 140 drilling rigs.

- 1 5. In addition to the funding and full-time equivalent positions authorized in subsections 1
2 through 4, \$222,508, of which \$168,105 is from the salaries and wages line item and
3 \$54,403 is from the operating expenses line item, and one full-time equivalent position
4 if the monthly average drilling rig count exceeds 150 drilling rigs.
- 5 6. In addition to the funding and full-time equivalent positions authorized in subsections 1
6 through 5, \$222,508, of which \$168,105 is from the salaries and wages line item and
7 \$54,403 is from the operating expenses line item, and one full-time equivalent position
8 if the monthly average drilling rig count exceeds 160 drilling rigs.
- 9 7. In addition to the funding and full-time equivalent positions authorized in subsections 1
10 through 6, \$222,508, of which \$168,105 is from the salaries and wages line item and
11 \$54,403 is from the operating expenses line item, and one full-time equivalent position
12 if the monthly average drilling rig count exceeds 170 drilling rigs.
- 13 8. In addition to the funding and full-time equivalent positions authorized in subsections 1
14 through 7, \$222,508, of which \$168,105 is from the salaries and wages line item and
15 \$54,403 is from the operating expenses line item, and one full-time equivalent position
16 if the monthly average drilling rig count exceeds 180 drilling rigs.
- 17 9. In addition to the funding and full-time equivalent positions authorized in subsections 1
18 through 8, \$222,508, of which \$168,105 is from the salaries and wages line item and
19 \$54,403 is from the operating expenses line item, and one full-time equivalent position
20 if the monthly average drilling rig count exceeds 190 drilling rigs.
- 21 10. In addition to the funding and full-time equivalent positions authorized in subsections 1
22 through 9, \$222,508, of which \$168,105 is from the salaries and wages line item and
23 \$54,403 is from the operating expenses line item, and one full-time equivalent position
24 if the monthly average drilling rig count exceeds 200 drilling rigs.

25 **SECTION 16.** A new section to chapter 6-09 of the North Dakota Century Code is created
26 and enacted as follows:

27 **North Dakota financial center - Lease rates - Payments in lieu of taxes.**

28 The North Dakota financial center is a building that is owned by the Bank of North Dakota
29 and is adjacent to the building in which the Bank of North Dakota is housed. The Bank of North
30 Dakota shall lease the space in the North Dakota financial center to other state agencies based
31 on market rate lease prices. The Bank of North Dakota shall make payments in lieu of property

taxes in the manner and according to the conditions and procedures that would apply if the building were privately owned.

SECTION 17. AMENDMENT. Section 54-17-40 of the North Dakota Century Code is amended and reenacted as follows:

54-17-40. (Effective through June 30, 2015~~2017~~) Housing incentive fund - Continuing appropriation - Report to budget section.

1. The housing incentive fund is created as a special revolving fund at the Bank of North Dakota. The housing finance agency may direct disbursements from the fund and a continuing appropriation from the fund is provided for that purpose.
2. After a public hearing, the housing finance agency shall create an annual allocation plan for the distribution of the fund. At least twenty-five percent of the fund must be used to assist developing communities to address an unmet housing need or alleviate a housing shortage. The agency may collect a reasonable administrative fee from the fund, project developers, applicants, or grant recipients. The origination fee assessed to grant recipients may not exceed five percent of the project award.

The annual allocation plan must give first priority through its scoring and ranking process to housing for essential service workers. For purposes of this subsection, "essential service workers" means individuals employed by a city, county, school district, medical or long-term care facility, the state of North Dakota, or others as determined by the housing finance agency who fulfill an essential public service.

The second priority in the annual allocation plan must be to provide housing for individuals and families of low or moderate income. For purposes of this second priority, eligible income limits are determined as a percentage of median family income as published in the most recent federal register notice. Under this second priority, the annual allocation plan must give preference to projects that benefit households with the lowest income and to projects that have rent restrictions at or below department of housing and urban development published federal fair market rents or department of housing and urban development section 8 payment standards.

The housing finance agency shall maintain a register reflecting the number of housing units owned or master leased by cities, counties, school districts, or other employers of essential service workers. This register must also reflect those entities

1 that are providing rent subsidies for their essential workers. The housing finance
2 agency shall report quarterly to the budget section of the legislative management on
3 the progress being made to reduce the overall number of units owned, master leased,
4 or subsidized by these entities. This report must include a listing of projects approved
5 and number of units within those projects that provide housing for essential service
6 workers.

- 7 3. The housing finance agency shall adopt guidelines for the fund so as to address
8 unmet housing needs in this state. Assistance from the fund may be used solely for:
- 9 a. New construction, rehabilitation, or acquisition of a multifamily housing project;
 - 10 b. Gap assistance, matching funds, and accessibility improvements;
 - 11 c. Assistance that does not exceed the amount necessary to qualify for a loan using
12 underwriting standards acceptable for secondary market financing or to make the
13 project feasible; and
 - 14 d. Rental assistance, emergency assistance, or targeted supportive services
15 designated to prevent homelessness.
- 16 4. Eligible recipients include units of local, state, and tribal government; local and tribal
17 housing authorities; community action agencies; regional planning councils; and
18 nonprofit organizations and for-profit developers of multifamily housing. Individuals
19 may not receive direct assistance from the fund.
- 20 5. Except for subdivision d of subsection 3, assistance is subject to repayment or
21 recapture under the guidelines adopted by the housing finance agency. Any
22 assistance that is repaid or recaptured must be deposited in the fund and is
23 appropriated on a continuing basis for the purposes of this section.

24 **SECTION 18. AMENDMENT.** Section 54-17-41 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **54-17-41. (Effective through June 30, 20152017) Report.**

27 Upon request, the housing finance agency shall report to the industrial commission on the
28 activities of the housing incentive fund.

29 **SECTION 19. AMENDMENT.** Section 54-17.5-02 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **54-17.5-02. Lignite research council - Compensation - Appointment of members.**

2 The industrial commission shall consult with the lignite research council established by
3 executive order in matters of policy affecting the administration of the lignite research fund.
4 Section 44-03-04 does not apply to members of the council appointed by the governor.

5 **SECTION 20. AMENDMENT.** Section 57-38-01.32 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **57-38-01.32. (Effective for the first two taxable years beginning after December 31,**
8 **20122014) Housing incentive fund tax credit.**

- 9 1. A taxpayer is entitled to a credit as determined under this section against state income
10 tax liability under section 57-38-30 or 57-38-30.3 for contributing to the housing
11 incentive fund under section 54-17-40. The amount of the credit is equal to the amount
12 contributed to the fund during the taxable year.
- 13 2. North Dakota taxable income must be increased by the amount of the contribution
14 upon which the credit under this section is computed but only to the extent the
15 contribution reduced federal taxable income.
- 16 3. The contribution amount used to calculate the credit under this section may not be
17 used to calculate any other state income tax deduction or credit allowed by law.
- 18 4. If the amount of the credit exceeds the taxpayer's tax liability for the taxable year, the
19 excess may be carried forward to each of the ten succeeding taxable years.
- 20 5. The aggregate amount of tax credits allowed to all eligible contributors is limited to
21 ~~twenty~~thirty million dollars.
- 22 6. Within thirty days after the date on which a taxpayer makes a contribution to the
23 housing incentive fund, the housing finance agency shall file with each contributing
24 taxpayer, and a copy with the tax commissioner, completed forms that show as to
25 each contribution to the fund by that taxpayer the following:
 - 26 a. The name, address, and social security number or federal employer identification
27 number of the taxpayer that made the contribution.
 - 28 b. The dollar amount paid for the contribution by the taxpayer.
 - 29 c. The date the payment was received by the fund.
- 30 7. To receive the tax credit provided under this section, a taxpayer shall claim the credit
31 on the taxpayer's state income tax return in the manner prescribed by the tax

1 commissioner and file with the return a copy of the form issued by the housing finance
2 agency under subsection 6.

3 8. Notwithstanding the time limitations contained in section 57-38-38, this section does
4 not prohibit the tax commissioner from conducting an examination of the credit
5 claimed and assessing additional tax due under section 57-38-38.

6 9. A passthrough entity making a contribution to the housing incentive fund under this
7 section is considered to be the taxpayer for purposes of this section, and the amount
8 of the credit allowed must be determined at the passthrough entity level. The amount
9 of the total credit determined at the entity level must be passed through to the
10 partners, shareholders, or members in proportion to their respective interests in the
11 passthrough entity.

12 **SECTION 21. AMENDMENT.** Section 22 of chapter 579 of the 2011 Session Laws is
13 amended and reenacted as follows:

14 **SECTION 22. FLEX PACE PROGRAM USE.** The Bank of North Dakota shall
15 utilize the flex partnership in assisting community expansion program to assist in
16 financing of affordable multifamily housing units for individuals in areas of North
17 Dakota affected by oil and gas development, for the period beginning with the effective
18 date of this Act and ending June 30, 20132019.

19 ~~**SECTION 20. LEGISLATIVE INTENT - CONTINGENT FUNDING PRIORITY LIST.** It is the
20 intent of the sixty-fourth legislative assembly that a list of funding priorities be developed for
21 contingent funding if the actual general fund revenues exceed the legislative forecast during
22 the 2015-17 biennium. The priorities may include a core library project, additional full-time
23 equivalent positions for the industrial commission, transfers to the housing incentive fund, and
24 grants for the lignite research council.~~

25 **SECTION 22. HOUSING FINANCE AGENCY - FLOOD-IMPACTED HOUSING**
26 **ASSISTANCE - EXEMPTION.** The amount appropriated for flood-impacted housing assistance
27 in section 4 of chapter 16 of the 2013 Session Laws is not subject to section 54-44.1-11 and any
28 unexpended funds are available during the biennium beginning July 1, 2015, and ending
29 June 30, 2017.

30 **SECTION 23. INDUSTRIAL COMMISSION - POSSIBLE FEDERAL AGENCY LITIGATION**
31 **- EXEMPTION.** The amount appropriated for possible federal agency litigation in subdivision 1

1 of section 1 of chapter 45 of the 2013 Session Laws is not subject to section 54-44.1-11 and
2 any unexpended funds are available during the biennium beginning July 1, 2015, and ending
3 June 30, 2017.

4 **SECTION 24. INDUSTRIAL COMMISSION - CORE LIBRARY EXPANSION PROJECT -**
5 **EXEMPTION - LEGISLATIVE MANAGEMENT REPORT.** The capital assets line item in
6 subdivision 1 of section 1 of this Act includes \$13,625,322 from the general fund for the purpose
7 of expanding the core library. The funding appropriated for this purpose is not subject to section
8 54-44.1-11 and any unexpended funds are available during the biennium beginning July 1,
9 2017, and ending June 30, 2019. The industrial commission shall report to the legislative
10 management and to the appropriations committees of the sixty-fifth legislative assembly on the
11 use of the funding provided for the core library project, including the amounts spent to date and
12 the amounts anticipated to be continued into the 2017-19 biennium, and on the progress of the
13 project.

14 **SECTION 25. BANK OF NORTH DAKOTA - NORTH DAKOTA FINANCIAL CENTER -**
15 **EXEMPTION - LEGISLATIVE MANAGEMENT REPORT.** The capital assets line item in
16 subdivision 2 of section 1 of this Act includes \$17,000,000 from the assets of the Bank of North
17 Dakota for the purpose of constructing a North Dakota financial center on a site adjacent to the
18 existing building in which the Bank is located. The funding appropriated for this purpose is not
19 subject to section 54-44.1-11 and any unexpended funds are available during the biennium
20 beginning July 1, 2017, and ending June 30, 2019. The Bank of North Dakota shall report to the
21 legislative management and to the appropriations committees of the sixty-fifth legislative
22 assembly on the use of the funding provided for the North Dakota financial center, including the
23 amounts spent to date and the amounts anticipated to be continued into the 2017-19 biennium,
24 and on the progress of the project.

25 **SECTION 26. EMERGENCY.** The amount of \$13,625,322 from the general fund in the
26 capital assets line item in subdivision 1 of section 1 of this Act for the core library expansion
27 project and sections 6 and 13 of this Act are declared to be an emergency measure.