

# Interaction Between HB1380 and HB1431

## House Bill 1380--Streams

<b>POMV</b>		\$7,100,000,000	4.00%
			<b>\$ 568,000,000</b>
<b>Sinking Fund--30%</b>			
			<b>\$ 170,000,000</b>
<i>Bond Payments</i>	Miniumum	\$ 100,000,000	
<i>PERS</i>	Maximum	\$ 50,000,000	
<i>Overage</i>		\$ 20,000,000	
<b>Earnings After Liabilities</b>			
			<b>\$ 398,000,000</b>
<b>REDDI--25%</b>			
			<b>\$ 99,500,000</b>
<i>Clean Sustainable Energy</i>	40%	\$ 39,800,000	
<i>University</i>	27%	\$ 26,865,000	
<i>LIFT</i>	25%	\$ 24,875,000	
<i>Research Councils</i>	5%	\$ 4,975,000	
<i>Tourism</i>	3%	\$ 2,985,000	
<b>Legacy Stream--10%</b>			
			<b>\$ 39,800,000</b>
<i>Legacy Projects</i>			
<i>Legacy Infrastructure</i>			
<b>Infrastructure--25%</b>			
			<b>\$ 99,500,000</b>
<i>Highway Distribution</i>	45%	\$ 44,775,000	
<i>State Parks</i>	5%	\$ 4,975,000	
<i>Discretion</i>	50%	\$ 49,750,000	
<b>Workforce Enrichment--5%</b>			
	5%	\$ 19,900,000	
<b>Discretion--5% + S.F. Overage</b>			
	5%	\$ 39,900,000	

## House Bill 1431--Bonding

Project	Total Proposed
Fargo Flood Diversion	\$ 435,000,000
Resources Trust Fund	\$ 74,500,000
Infrastructure RLF	\$ 50,000,000
Highway Trust Fund	\$ 70,000,000
NDSU Ag Research	\$ 50,000,000
Township Roads	\$ 30,000,000
Current Tech Ed	\$ 60,000,000
Deferred Maintenance	\$ 65,000,000
Pulver Hall	\$ 4,000,000
Historical Buildings	\$ 4,700,000
State Park Maintenance	\$ 10,000,000
UND Space Command	\$ 4,000,000
ND Arts Initiative	\$ 1,000,000
State Capital ADA	\$ 700,000
Brynhild Haugland Room	\$ 600,000
Clean Sustainable Energy	\$ 250,000,000
Long Term Care Loan Fund	\$ 100,000,000
<b>Total Bonding Proposed</b>	<b>\$ 1,209,500,000</b>

HB1452  
SB2014

HB1452—CSE creates a revolving loan fund with a 2% IR.  
SB2014—LTC is at cost with repayment coming back General Fund

## House Bill 1425

<b>Legacy Fund Principal Balance</b>	\$7,100,000,000
<b>20% of Principal</b>	\$1,420,000,000
10% of 20% to Fixed Investment	\$710,000,000
BND Match Program	\$426,000,000
<b>Legacy Infrastructure Loan Fund</b>	<b>\$284,000,000</b>
10% of 20% to Equity Investment	\$710,000,000
3% to Venture	\$21,300,000
Pref to In-State	\$688,700,000

# Bonding—Policy Decisions—All At Once

Project	Total Proposed
Fargo Flood Diversion	\$ 435,000,000
Resources Trust Fund	\$ 74,500,000
Infrastructure RLF	\$ 50,000,000
Highway Trust Fund	\$ 70,000,000
NDSU Ag Research	\$ 50,000,000
Township Roads	\$ 30,000,000
Current Tech Ed	\$ 60,000,000
Deferred Maintenance	\$ 65,000,000
Pulver Hall	\$ 4,000,000
Historical Buildings	\$ 4,700,000
State Park Maintenance	\$ 10,000,000
UND Space Command	\$ 4,000,000
ND Arts Initiative	\$ 1,000,000
State Capital ADA	\$ 700,000
Brynhild Haugland Room	\$ 600,000
Clean Sustainable Energy	\$ 250,000,000
Long Term Care Loan Fund	\$ 100,000,000
<b>Total Bonding Proposed</b>	<b>\$ 1,209,500,000</b>

Proposed in HB1380	Bond for \$100m	Bond for \$100m
	20-Year Term	30-Year Term
Proceeds for Projects	\$696,886,296	\$874,082,215
Biennial Debt Service	\$100,000,000	\$100,000,000
All In Total Issuance Cost	3.11%	3.57%
Tax Status	Taxable	Taxable
Date of Issuance	7/1/2022	7/1/2022
Capitalized Interest	\$17,224,689	\$26,290,745

All In Cost / All Bills	Bond Entire Amount	Bond Entire Amount
	20-Years	30-Years
Proceeds for Projects	\$1,200,000,000	\$1,200,000,000
Biennial Debt Service	\$172,200,000	\$137,300,000
All In Total Issuance Cost	3.11%	3.57%
Tax Status	Taxable	Taxable
Date of Issuance	7/1/2022	7/1/2022
Capitalized Interest	\$29,660,090	\$36,093,613

## Policy Decisions

1. What is the total amount the Legislature wants to dedicate to bond repayment from Legacy Fund Earnings?
2. Bonding the entire amount vs bonding in tranches as projects are ready.



## Bonding—Policy Decisions—Incremental Bonding

Project	Total Proposed	2021-2023	2023-2025	2025-2027	2027-2029
Fargo Flood Diversion	\$ 435,000,000		\$ 100,000,000	\$ 170,000,000	\$ 165,000,000
Resources Trust Fund	\$ 74,500,000	\$ 74,500,000			
Infrastructure RLF	\$ 50,000,000	\$ 50,000,000			
Highway Trust Fund	\$ 70,000,000	\$ 70,000,000			
NDSU Ag Research	\$ 50,000,000		\$ 50,000,000		
Township Roads	\$ 30,000,000	\$ 30,000,000			
Current Tech Ed	\$ 60,000,000	\$ 30,000,000	\$ 30,000,000		
Deferred Maintenance	\$ 65,000,000	\$ 25,000,000	\$ 25,000,000	\$ 15,000,000	
Pulver Hall	\$ 4,000,000	\$ 4,000,000			
Historical Buildings	\$ 4,700,000	\$ 4,700,000			
State Park Maintenance	\$ 10,000,000	\$ 5,000,000	\$ 5,000,000		
UND Space Command	\$ 4,000,000	\$ 4,000,000			
ND Arts Initiative	\$ 1,000,000	\$ 1,000,000			
State Capital ADA	\$ 700,000	\$ 700,000			
Brynhild Haugland Room	\$ 600,000	\$ 600,000			
Clean Sustainable Energy	\$ 250,000,000			\$ 250,000,000	
Long Term Care Loan Fund	\$ 100,000,000	\$ 50,000,000	\$ 50,000,000		
<b>Total Bonding Proposed Per Biennium</b>		<b>\$ 349,500,000</b>	<b>\$ 260,000,000</b>	<b>\$ 435,000,000</b>	<b>\$ 165,000,000</b>

# Bond Payments Via Tranches

## 30-Year Bonds Issued in Tranches

Total \$1.25B

	2021-2023	2023-2025	2025-2027	2027-2029	2029-2031	2031-2033	2033-2035
Bond Issued	\$349,500,000	\$260,000,000	\$435,000,000	\$165,000,000			
30-year Repayment	\$37,508,508	\$27,903,631	\$46,684,855	\$17,708,403	\$129,805,397	\$129,805,397	\$129,805,397
Contribution to Sinking Fund	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$104,433,832	\$129,805,397
Balance in Sinking Fund	\$ 62,491,492	\$ 162,491,492	\$ 197,079,353	\$ 184,982,359	\$155,176,962	\$129,805,397	\$129,805,397
Cash in Sinking Fund	\$ 62,491,492	\$ 97,079,353	\$ 84,982,359	\$ 55,176,962	\$25,371,565	\$0	\$0

- Issue Bonds over 4-Beinnium
- Using \$100m as payment, requires transition to full payment in 2031-2033 biennium