

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the industrial
 2 commission and the agencies under its control; to create and enact a new section to chapter
 3 6-09, relating to a Bank of North Dakota retention incentive program; to amend and reenact
 4 sections 6-09.7-05 and 54-17.7-01, subsections 3 and 4 of section 54-17.7-04, and section
 5 54-63.1-01 of the North Dakota Century Code and section 8 of chapter 42 of the 2021 Session
 6 Laws, relating to fuel production facility loan guarantee reserve funding, the powers of the North
 7 Dakota pipeline authority, definitions for the clean sustainable energy authority, and a transfer of
 8 Bank of North Dakota profits to the general fund; to provide a contingent appropriation; to
 9 provide for a transfer; to provide an exemption; to provide for a report; and to declare an
 10 emergency.

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

12 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
 13 as may be necessary, are appropriated out of any moneys in the general fund in the state
 14 treasury, not otherwise appropriated, and from special funds derived from federal funds and
 15 other income, to the industrial commission and agencies under its control for the purpose of
 16 defraying the expenses of the industrial commission and the agencies under its control, for the
 17 biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

18 Subdivision 1.

19 INDUSTRIAL COMMISSION

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22 Salaries and wages	\$23,698,119	(\$21,226,883)	\$2,471,236
23 Operating expenses	5,119,958	(1,412,940)	3,707,018
24 Capital assets	0	1,250,000	1,250,000

Sixty-eighth
Legislative Assembly

1	Grants	0	33,623,893	33,623,893
2	Grants - bond payments	<u>22,040,721</u>	<u>97,839,192</u>	<u>119,879,913</u>
3	Total all funds	\$50,858,798	\$110,073,262	\$160,932,060
4	Less estimated income	<u>24,369,185</u>	<u>132,138,019</u>	<u>156,507,204</u>
5	Total general fund	\$26,489,613	(\$22,064,757)	\$4,424,856
6	Full-time equivalent positions	108.25	(98.50)	9.75
7	Subdivision 2.			

DEPARTMENT OF MINERAL RESOURCES

9			Adjustments or	
10		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
11	Salaries and wages	\$0	\$25,401,022	\$25,401,022
12	Operating expenses	0	11,410,044	11,410,044
13	Capital assets	<u>0</u>	<u>80,000</u>	<u>80,000</u>
14	Total all funds	\$0	\$36,891,066	\$36,891,066
15	Less estimated income	<u>0</u>	<u>2,568,000</u>	<u>2,568,000</u>
16	Total general fund	\$0	\$34,323,066	\$34,323,066
17	Full-time equivalent positions	0.00	108.00	108.00
18	Subdivision 3.			

BANK OF NORTH DAKOTA

20			Adjustments or	
21		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22	Bank of North Dakota operations	\$67,306,548	\$7,421,138	\$74,727,686
23	Capital assets	<u>1,510,000</u>	<u>0</u>	<u>1,510,000</u>
24	Total special funds	\$68,816,548	\$7,421,138	\$76,237,686
25	Full-time equivalent positions	173.00	14.00	187.00
26	Subdivision 4.			

HOUSING FINANCE AGENCY

28			Adjustments or	
29		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
30	Salaries and wages	\$9,556,272	\$2,613,470	\$12,169,742
31	Operating expenses	6,109,060	4,629,181	10,738,241

Sixty-eighth
Legislative Assembly

1	Capital assets	150,000	(130,000)	20,000
2	Grants	42,975,200	5,829,910	48,805,110
3	Housing finance agency contingencies	<u>100,000</u>	<u>0</u>	<u>100,000</u>
4	Total all funds	\$58,890,532	\$12,942,561	\$71,833,093
5	Less estimated income	<u>58,890,532</u>	<u>10,442,561</u>	<u>69,333,093</u>
6	Total general fund	\$0	\$2,500,000	\$2,500,000
7	Full-time equivalent positions	49.00	4.00	53.00

8 Subdivision 5.

9 MILL AND ELEVATOR ASSOCIATION

10			Adjustments or	
11		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12	Salaries and wages	\$50,560,209	\$7,022,585	\$57,582,794
13	Operating expenses	36,817,000	5,574,653	42,391,653
14	Contingencies	500,000	0	500,000
15	Agriculture promotion	<u>500,000</u>	<u>0</u>	<u>500,000</u>
16	Total special funds	\$88,377,209	\$12,597,238	\$100,974,447
17	Full-time equivalent positions	156.00	14.00	170.00

18 Subdivision 6.

19 TOTAL - SECTION 1

20			Adjustments or	
21		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22	Grand total general fund	\$26,489,613	\$14,758,309	\$41,247,922
23	Grand total special funds	<u>240,453,474</u>	<u>165,166,956</u>	<u>405,620,430</u>
24	Grand total all funds	\$266,943,087	\$179,925,265	\$446,868,352

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

26 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding

27 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the

28 2023-25 one-time funding items included in the appropriation in section 1 of this Act:

29	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
30	Administration - transfer to clean sustainable energy fund	\$25,000,000	\$0
31	Administration - pipeline grant fund	150,000,000	0

Sixty-eighth
Legislative Assembly

1	Administration - hydrogen grants	20,000,000	0
2	Administration - new employee expenses	0	12,110
3	Administration - transmission authority consulting	0	300,000
4	Administration - electricity grid resilience federal grant	0	8,623,893
5	Administration - lignite litigation expenses	0	3,000,000
6	Administration - transmission line grant	0	25,000,000
7	Administration - grant management software	0	1,250,000
8	Mineral resources - paleontology and geological equipment	106,260	0
9	Mineral resources - abandoned well conversion program	3,200,000	0
10	Mineral resources - new employee expenses	0	68,335
11	Mineral resources - inflationary expenses	0	821,456
12	Mineral resources - core and mineral analyses	0	100,000
13	Mineral resources - computer server transition	0	80,000
14	Mineral resources - abandoned well reclamation	0	2,300,000
15	Mineral resources - oil and gas litigation expenses	0	3,000,000
16	Bank of North Dakota - contingent loan repayment	17,500,000	0
17	Bank of North Dakota - bond proceed allocation	680,000,000	0
18	Bank of North Dakota - agriculture diversification fund	10,000,000	0
19	Bank of North Dakota - fuel production incentives	21,000,000	0
20	Bank of North Dakota - information technology projects	0	804,278
21	Housing finance agency - housing incentive fund	9,500,000	0
22	Housing finance agency - housing assessment	<u>35,000</u>	<u>0</u>
23	Total all funds	\$936,341,260	\$45,360,072
24	Less estimated income	<u>874,235,000</u>	<u>8,744,647</u>
25	Total general fund	\$62,106,260	\$36,615,425

26 The 2023-25 biennium one-time funding amounts are not part of the entity's base budget for
 27 the 2025-27 biennium. The industrial commission shall report to the appropriations committees
 28 of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium
 29 beginning July 1, 2023, and ending June 30, 2025.

1 **SECTION 3. BOND PAYMENTS.** The amount of \$119,879,913 included in subdivision 1 of
2 section 1 of this Act in the grants - bond payments line item must be paid from the following
3 funding sources, during the biennium beginning July 1, 2023, and ending June 30, 2025:

4	Infrastructure project and program bonds - legacy earnings fund	\$102,620,461
5	North Dakota university system	15,021,771
6	North Dakota university system - energy conservation projects	207,649
7	Department of corrections and rehabilitation	143,375
8	Office of management and budget	283,875
9	Attorney general's office	330,000
10	State historical society	592,375
11	Parks and recreation department	30,950
12	Agriculture research and extension service	242,205
13	Veterans' home	<u>407,252</u>
14	Total	\$119,879,913

15 **SECTION 4. APPROPRIATION - HOUSING FINANCE AGENCY - ADDITIONAL INCOME.**

16 In addition to the amount appropriated to the housing finance agency in subdivision 3 of
17 section 1 of this Act, there is appropriated any additional income or unanticipated income from
18 federal or other funds which may become available to the agency, for the biennium beginning
19 July 1, 2023, and ending June 30, 2025. The housing finance agency shall notify the office of
20 management and budget and the legislative council of any additional income or unanticipated
21 income that becomes available to the agency resulting in an increase in appropriation authority.

22 **SECTION 5. APPROPRIATION - TRANSFER - 2021-23 BIENNIUM - DEPARTMENT OF**
23 **MINERAL RESOURCES - FULL-TIME EQUIVALENT POSITIONS.**

- 24 1. There is appropriated out of any moneys in the general fund in the state treasury, not
25 otherwise appropriated, the sum of \$62,460, or so much of the sum as may be
26 necessary, to the department of mineral resources for the purpose of employing
27 full-time equivalent carbon capture positions for the period beginning with the effective
28 date of this Act and ending June 30, 2023. The department is authorized three full-time
29 equivalent positions pursuant to this subsection.
- 30 2. There is appropriated out of any moneys in the general fund in the state treasury, not
31 otherwise appropriated, the sum of \$15,000, which the office of management and

1 budget shall transfer to the fossil excavation and restoration fund during the period
2 beginning with the effective date of this Act and ending June 30, 2023.

3 **SECTION 6. APPROPRIATION - TRANSFER - FOSSIL RESTORATION FUND -**
4 **HOUSING INCENTIVE FUND - ONE-TIME FUNDING.**

5 1. There is appropriated out of any moneys in the general fund in the state treasury, not
6 otherwise appropriated, the sum of \$250,000, which the office of management and
7 budget shall transfer to the fossil excavation and restoration fund during the biennium
8 beginning July 1, 2023, and ending June 30, 2025.

9 2. There is appropriated out of any moneys in the general fund in the state treasury, not
10 otherwise appropriated, the sum of \$12,500,000, which the office of management and
11 budget shall transfer to the housing incentive fund during the biennium beginning
12 July 1, 2023, and ending June 30, 2025.

13 3. The funding provided in this section is considered a one-time funding item.

14 **SECTION 7. CONTINGENT FUNDING - HOUSING FINANCE AGENCY.** The sum of
15 \$82,068 from other funds and one full-time equivalent position included in subdivision 4 of
16 section 1 of this Act are available only in accordance with the provisions of this section. If
17 mortgage loan production for the fiscal year ended June 30, 2024, exceeds \$435,000,000, the
18 housing finance agency may spend \$82,068 from the salaries and wages line item and may hire
19 one full-time equivalent position. The housing finance agency shall notify the office of
20 management and budget and the legislative council if the contingency is met.

21 **SECTION 8. TRANSFER - ENTITIES UNDER THE CONTROL OF THE INDUSTRIAL**
22 **COMMISSION TO INDUSTRIAL COMMISSION FUND - EXEMPTION.**

23 1. The sum of \$1,899,877, or so much of the sum as may be necessary, included in the
24 appropriation in subdivision 1 of section 1 of this Act, may be transferred from the
25 entities within the control of the industrial commission or entities directed to make
26 payments to the industrial commission fund for administrative services rendered by the
27 commission. Transfers must be made during the biennium beginning July 1, 2023, and
28 ending June 30, 2025, upon order of the commission. Transfers from the student loan
29 trust fund must be made to the extent permitted by sections 54-17-24 and 54-17-25.

30 2. The amount of \$1,214,768 appropriated to the industrial commission in subdivision 1
31 of section 1 of chapter 42 of the 2021 Session Laws and transferred pursuant to

1 section 7 of chapter 42 of the 2021 Session Laws is not subject to the provisions of
2 section 54-44.1-11. Any unexpended funds from this appropriation are available to the
3 industrial commission for administrative services rendered by the commission during
4 the biennium beginning July 1, 2023, and ending June 30, 2025.

5 **SECTION 9. TRANSFER - FUNDS UNDER THE CONTROL OF THE INDUSTRIAL**
6 **COMMISSION TO INDUSTRIAL COMMISSION FUND.** The sum of \$1,250,000, or so much of
7 the sum as may be necessary, included in the appropriation in subdivision 1 of section 1 of this
8 Act, may be transferred from funds under the control of the industrial commission to the
9 industrial commission fund for grant management software expenses. Of the \$1,250,000, the
10 industrial commission may transfer:

- 11 1. Up to \$250,000 from the clean sustainable energy fund;
- 12 2. Up to \$250,000 from the lignite research fund;
- 13 3. Up to \$250,000 from the oil and gas research fund;
- 14 4. Up to \$250,000 from the North Dakota outdoor heritage fund; and
- 15 5. Up to \$250,000 from the renewable energy development fund.

16 **SECTION 10. TRANSFER - BANK OF NORTH DAKOTA PROFITS TO GENERAL FUND.**
17 The Bank of North Dakota shall transfer \$70,000,000 from the Bank's current earnings and
18 undivided profits to the general fund during the biennium beginning July 1, 2023, and ending
19 June 30, 2025. The moneys must be transferred in the amounts and at the times requested by
20 the director of the office of management and budget after consultation with the Bank of North
21 Dakota president. For legislative council budget status reporting purposes, the transfer under
22 this section is considered an ongoing revenue source.

23 **SECTION 11. TRANSFER - BANK OF NORTH DAKOTA PROFITS TO ECONOMIC**
24 **DEVELOPMENT PROGRAMS.** During the biennium beginning July 1, 2023, and ending
25 June 30, 2025, the Bank of North Dakota shall transfer the following amounts from the Bank's
26 current earnings and undivided profits:

- 27 1. \$39,000,000 to the partnership in assisting community expansion fund;
- 28 2. \$5,000,000 to the agriculture partnership in assisting community expansion fund;
- 29 3. \$1,000,000 to the biofuels partnership in assisting community expansion fund;
- 30 4. \$15,000,000 to the beginning farmer revolving loan fund; and
- 31 5. \$3,000,000 to the agricultural products utilization fund.

1 **SECTION 12. TRANSFER - LEGACY EARNINGS FUND - PIPELINE LEAK DETECTION**
2 **AND PREVENTION PROGRAM - CLEAN SUSTAINABLE ENERGY GRANTS AND LOANS.**

3 During the biennium beginning July 1, 2023, and ending June 30, 2025, and pursuant to the
4 designation of funding for other legislative purposes under subdivision c of subsection 4 of
5 section 21-10-13, the state treasurer shall transfer the following amounts from the legacy
6 earnings fund:

- 7 1. \$5,000,000 to the oil and gas research fund for a pipeline leak detection and
8 prevention program;
- 9 2. \$50,000,000 to the clean sustainable energy fund for grants; and
- 10 3. \$250,000,000 to the clean sustainable energy fund to repay a line of credit and to
11 provide funding for loans.

12 **SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
13 **STATE ENERGY RESEARCH CENTER FUND - RARE EARTH MINERALS STUDY -**
14 **REPORT TO LEGISLATIVE MANAGEMENT.**

- 15 1. The office of management and budget shall transfer the sum of \$3,000,000 from the
16 strategic investment and improvements fund to the state energy research center fund
17 during the biennium beginning July 1, 2023, and ending June 30, 2025.
- 18 2. Pursuant to the continuing appropriation under section 57-51.1-07.9, the industrial
19 commission shall distribute up to \$3,000,000 from the state energy research center
20 fund to the state energy research center for a study related to prospective in-state
21 resources of economically feasible accumulations of critical minerals, including rare
22 earth elements and other high-value minerals or materials that may be suitable for
23 extraction and enrichment.
- 24 3. The study must include a review of in-state mineral accumulations, including coal
25 deposits, ore bodies, oil and gas reservoirs, produced water from oil and gas
26 development activities, saltwater zones, and shale formations. While conducting the
27 study, the state energy research center shall collaborate with the North Dakota
28 geological survey and active mineral lessors and developers.
- 29 4. During the 2023-24 interim, the state energy research center shall provide at least one
30 report to the legislative management regarding the study.

1 **SECTION 14. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
2 **STATE ENERGY RESEARCH CENTER FUND - UNDERGROUND ENERGY STORAGE**
3 **RESEARCH PROJECT - REPORT TO LEGISLATIVE MANAGEMENT.**

- 4 1. The office of management and budget shall transfer the sum of \$22,000,000 from the
5 strategic investment and improvements fund to the state energy research center fund.
- 6 2. Pursuant to the continuing appropriation authority under section 57-51.1-07.9, the
7 industrial commission shall distribute up to \$22,000,000 from the state energy
8 research center fund to the state energy research center for a salt cavern underground
9 energy storage research project.
- 10 3. The research project must include construction of up to two salt caverns in geological
11 formations in North Dakota for the development of underground storage of energy
12 resources, including natural gas, liquified natural gas, natural gas liquids, and
13 hydrogen. The state energy research center may collaborate with other entities as
14 needed on the research project. Prior to distributing the funding, the industrial
15 commission must receive, from at least one nonstate entity, assurance of financial or
16 other types of support that demonstrate a commitment to the research project.
- 17 4. During the 2023-24 interim, the state energy research center shall provide quarterly
18 reports to the industrial commission and at least one report to the legislative
19 management regarding the status and results of the research project.

20 **SECTION 15. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**
21 **FUND - TRANSMISSION LINE GRANT.** The sum of \$25,000,000 included in the grants line
22 item and the estimated income line item in subdivision 1 of section 1 of this Act and identified as
23 one-time funding in section 2 of this Act is from the strategic investment and improvements
24 fund. The industrial commission shall use the funding to provide a grant, based on the
25 recommendation of the North Dakota transmission authority, to an entity for a project to upgrade
26 a high-voltage direct current transmission line. A grant may be awarded only if the project to
27 upgrade a transmission line has been approved by the public service commission.

28 **SECTION 16. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM -**
29 **LIGNITE MARKETING FEASIBILITY STUDY - REPORT TO THE SIXTY-NINTH**
30 **LEGISLATIVE ASSEMBLY.**

- 1 1. Pursuant to the continuing appropriation under section 57-61-01.6, up to \$4,500,000
2 from the lignite research fund may be used for the purpose of contracting for an
3 independent, nonmatching lignite marketing feasibility study or studies that determine
4 those focused priority areas where near-term, market-driven projects, activities, or
5 processes will generate matching private industry investment and have the most
6 potential of preserving existing lignite production and industry jobs or that will lead to
7 increased development of lignite and its products and create new lignite industry jobs
8 and economic growth for the general welfare of this state. Moneys designated under
9 this section also may be used for the purpose of contracting for nonmatching studies
10 and activities in support of advanced energy technology and other technology
11 development programs; for litigation that may be necessary to protect and promote the
12 continued development of lignite resources; for nonmatching externality studies and
13 activities in externality proceedings; or other marketing, environmental, or transmission
14 activities that assist with marketing of lignite-based electricity and lignite-based
15 byproducts. Moneys needed for the purposes stated in this section are available to the
16 industrial commission for funding projects, processes, or activities under the lignite
17 research, development, and marketing program.
- 18 2. The industrial commission shall report to the appropriations committees of the sixty-
19 ninth legislative assembly on the amounts spent pursuant to this section.

20 **SECTION 17.** A new section to chapter 6-09 of the North Dakota Century Code is created
21 and enacted as follows:

22 **Employee recruitment and retention incentive program - Report to legislative**
23 **management.**

24 The Bank of North Dakota may develop an employee recruitment and retention incentive
25 program that promotes profitability and productivity. The provisions of the program must be
26 approved annually by the Bank of North Dakota advisory board of directors and the industrial
27 commission. The provisions must ensure that the amount available for program funding does
28 not exceed one percent of the Bank's annual profits and that program may receive funding only
29 if the Bank's profits exceed one hundred million dollars for the year. Each interim, the Bank shall
30 provide at least one report to the legislative management regarding the status of the program,
31 including the provisions of the program; the total amount of the Bank's profits used to fund the

1 program; the total amount of incentives paid out to employees each year; and the minimum,
2 maximum, and average payout per eligible full-time equivalent position.

3 **SECTION 18. AMENDMENT.** Section 6-09.7-05 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **6-09.7-05. Establishment and maintenance of adequate guarantee funds - Use of**
6 **strategic investment and improvements fund.**

7 The Bank of North Dakota shall establish and at all times maintain an adequate guarantee
8 reserve fund in a special account in the Bank. The Bank may request the director of the office of
9 management and budget to transfer funds from the strategic investment and improvements
10 fund created by section 15-08.1-08 to maintain one hundred percent of the guarantee reserve
11 fund balance. Transfers from the strategic investment and improvements fund may not exceed
12 a total of eightyone hundred forty million dollars. Moneys in the guarantee reserve fund are
13 available to reimburse lenders, including the Bank, for guaranteed loans in default. The
14 securities in which the moneys in the reserve fund may be invested must meet the same
15 requirements as those authorized for investment under the state investment board. The income
16 from such investments must be made available for the costs of administering the state
17 guarantee loan program and income in excess of that required to pay the cost of administering
18 the program must be deposited in the reserve fund. The amount of reserves for all guaranteed
19 loans must be determined by a formula that will assure, as determined by the Bank, an
20 adequate amount of reserve.

21 **SECTION 19. AMENDMENT.** Section 54-17.7-01 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **54-17.7-01. North Dakota pipeline authority - Legislative intent.**

24 There is created the North Dakota pipeline authority, which shall be governed by the
25 industrial commission. It is the intent of the legislative assembly that the pipeline authority
26 consider the operations, finances, and market positions of private entities engaged in pipeline
27 activities while carrying out the purposes of this chapter to avoid competing with private entities
28 to the extent possible.

29 **SECTION 20. AMENDMENT.** Subsection 3 of section 54-17.7-04 of the North Dakota
30 Century Code is amended and reenacted as follows:

- 1 3. Acquire, purchase, hold, use, lease, license, sell, transfer, and dispose of an undivided
2 or other interest in or the right to capacity in any pipeline system or systems, including
3 interconnection of pipeline systems, within or without the state of North Dakota in
4 order to facilitate the production, transportation, distribution, or delivery of
5 energy-related commodities produced in North Dakota ~~as a purchaser of last resort.~~
6 ~~The obligation of the state may not exceed ten percent of the pipeline authority's~~
7 ~~acquisition or purchase of a right to capacity in any pipeline system or systems, or~~
8 ~~interconnection of pipeline systems, and the state's obligation is limited to the funding~~
9 ~~available from the oil and gas research fund. If the authority acquires, purchases,~~
10 holds, uses, or leases capacity positions, the authority shall sell, transfer, release, or
11 dispose of the capacity positions at intervals that are no more frequent than monthly
12 and in an amount that is equal to or greater than the market rate, but only if the sale,
13 transfer, release, or disposal of the capacity positions is sufficient to cover the
14 expenses and obligations incurred. The authority's contract obligations for the capacity
15 positions are limited to the capacity rates, charges, and terms.

16 **SECTION 21. AMENDMENT.** Subsection 4 of section 54-17.7-04 of the North Dakota
17 Century Code is amended and reenacted as follows:

- 18 4. Borrow money and issue evidences of indebtedness as provided in this chapter,
19 including borrowing from the Bank of North Dakota.
- 20 a. The authority may borrow up to sixty million dollars through a line of credit from
21 the Bank. The interest rate on the line of credit must be the prevailing interest
22 rate charged to North Dakota governmental entities.
- 23 b. The line of credit must be guaranteed by reserves under section 6-09.7-05.
- 24 c. The line of credit may be used to support activities under subsection 3.
- 25 d. The authority shall repay the line of credit from amounts available. If the amounts
26 available on June 30, 2025, are not sufficient to repay the line of credit, the
27 authority shall notify the director of the office of management and budget, and the
28 director of the office of management and budget shall transfer funds from the
29 strategic investment and improvements fund to the Bank for the repayment
30 pursuant to section 6-09.7-05 based on the amount certified by the Bank.

1 **SECTION 22. AMENDMENT.** Section 54-63.1-01 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-63.1-01. Definitions.**

4 As used in this chapter:

- 5 1. "Authority" means the clean sustainable energy authority.
- 6 2. "Clean" means a technology or concept that reduces emissions to the air, water, or
7 land and meets or exceeds state and federal environmental regulations.
- 8 3. "Commission" means the industrial commission.
- 9 4. "Fund" means the clean sustainable energy fund.
- 10 5. "Program" means the clean sustainable energy program.
- 11 6. "Sustainable" means a technology or concept that allows the use of a natural
12 resource, including hydrogen and other energy sources, to be maintained or enhanced
13 through increased efficiency and life cycle benefits while either increasing or not
14 adversely impacting energy security, affordability, reliability, resilience, or national
15 security.

16 **SECTION 23. AMENDMENT.** Section 8 of chapter 42 of the 2021 Session Laws is
17 amended and reenacted as follows:

18 **SECTION 8. TRANSFER - BANK OF NORTH DAKOTA PROFITS TO**

19 **GENERAL FUND.** The industrial commission shall transfer to the general fund
20 ~~\$140,000,000~~\$70,000,000 from the current earnings and the accumulated profits of
21 the Bank of North Dakota during the biennium beginning July 1, 2021, and ending
22 June 30, 2023. The moneys must be transferred in the amounts and at the times
23 requested by the director of the office of management and budget after consultation
24 with the Bank of North Dakota president. For legislative council budget status reporting
25 purposes, the transfer under this section is considered an ongoing revenue source.

26 **SECTION 24. EXEMPTION - MILL AND ELEVATOR ASSOCIATION PROFITS ANNUAL**
27 **TRANSFER.** Notwithstanding the provisions of section 54-18-19 relating to the annual transfer
28 of mill and elevator association profits to the general fund, for the biennium beginning July 1,
29 2023, and June 30, 2025, the industrial commission shall transfer ten percent of the mill and
30 elevator association profits to the general fund.

1 **SECTION 25. EXEMPTION - OIL AND GAS TAX REVENUE ALLOCATIONS - NORTH**
2 **DAKOTA OUTDOOR HERITAGE FUND - OIL AND GAS RESEARCH FUND.**

- 3 1. Notwithstanding the provisions of section 57-51-15 relating to the allocations to the
4 North Dakota outdoor heritage fund, for the period beginning September 1, 2023, and
5 ending August 31, 2025, the state treasurer shall allocate eight percent of the oil and
6 gas gross production tax revenue available under subsection 1 of section 57-51-15 to
7 the North Dakota outdoor heritage fund, but not in an amount exceeding \$7,500,000
8 per fiscal year.
- 9 2. Notwithstanding the provisions of section 57-51.1-07.3 relating to the allocations to the
10 oil and gas research fund, for the period beginning August 1, 2023, and ending
11 July 31, 2025, the state treasurer shall allocate two percent of the oil and gas gross
12 production tax and oil extraction tax revenues, up to \$14,500,000, into the oil and gas
13 research fund before allocating oil and gas tax revenues under sections 57-51.1-07.5,
14 57-51.1-07.9, and 57-51.1-07.10.

15 **SECTION 26. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
16 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
17 the biennium beginning July 1, 2023, and ending June 30, 2025:

- 18 1. The sum of \$3,200,000 appropriated from the federal state fiscal recovery fund for an
19 abandoned oil well conversion to water supply grant program in subsection 2 of
20 section 1 of chapter 550 of the 2021 Special Session Session Laws;
- 21 2. The sum of \$20,000,000 appropriated from the federal state fiscal recovery fund for
22 hydrogen development grants in subsection 36 of section 1 of chapter 550 of the 2021
23 Special Session Session Laws; and
- 24 3. The sum of \$800,000 appropriated from the strategic investment and improvements
25 fund in section 2 of chapter 426 of the 2017 Session Laws and continued into the
26 2019-21 biennium pursuant to section 27 of chapter 14 of the 2019 Session Laws and
27 into the 2021-23 biennium pursuant to section 33 of chapter 42 of the 2021 Session
28 Laws.

29 **SECTION 27. EMERGENCY.** The following are declared to be an emergency measure:

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- 1 1. The sum of \$3,000,000 from the general fund in the operating expenses line item
2 included in subdivision 1 of section 1 of this Act and identified as one-time funding in
3 section 2 of this Act for lignite litigation expenses.
- 4 2. The sum of \$3,000,000 from the general fund in the operating expenses line item
5 included in subdivision 2 of section 2 of this Act and identified as one-time funding in
6 section 2 of this Act for oil and gas litigation expenses.
- 7 3. The sum of \$230,000 from the general fund in the operating expenses line item
8 included in subdivision 2 of section 1 of this Act for computer server transition.
- 9 4. The sum of \$80,000 from the general fund in the operating expenses line item
10 included in subdivision 2 of section 1 of this Act and identified as one-time funding in
11 section 2 of this Act for computer server transition.
- 12 5. Section 5 of this Act.
- 13 6. Section 23 of this Act.