

**CHAPTER 15.1-36**  
**SCHOOL CONSTRUCTION**

- 3 The superintendent of public instruction shall review loan applications based on a prioritization system that includes a review of all applications filed during the twelve-month period preceding April first and gives consideration to:
- a. New construction or remodeling projects, then refinancing callable bonds, then loans for inflation;
  - b. Student occupancy and academic needs in the district;
  - c. The age of existing structures to be replaced or remodeled;
  - d. Building design proposals that are based on safety and vulnerability assessments;
  - e. Community support;
  - f. Cost; and
  - g. Any other criteria established by the superintendent of public instruction, after consultation with an interim committee appointed by the legislative management.
- 5 If the superintendent of public instruction approves the loan, the Bank of North Dakota shall issue a loan from the school construction assistance revolving loan fund. For a loan made under this section:
- a. The maximum loan amount for which a school district may qualify is ten fifteen million dollars. However, if a school district's unobligated general fund balance on the preceding June thirtieth exceeds the limitation under section 15.1-27-35.3, the loan amount under this section may not exceed eighty percent of the project's cost up to a maximum loan amount of eight million dollars;
  - b. If the school construction project totals seventy-five million dollars or more, the school district may qualify for an additional ten million after all new loan applications have been considered. However, if a school district's unobligated general fund balance on the preceding June thirtieth exceeds the limitation under section 15.1-27-35.3, the loan amount under this section may not exceed eighty percent of the project's cost.
  - c. The term of the loan is twenty years, unless the board of the school district requests a shorter term in the written loan application; and
  - d. The interest rate of the loan may not exceed two percent per year.
  - e. A district with a school construction loan secured on the open bond market may apply to refinance the loan when callable with the school construction assistance revolving loan fund under this subsection.

New Session Law effect for the 2023-25 biennium.

School Construction Assistance Revolving Loan Fund - Bank of North Dakota School Construction Projects.

- a. A district that qualifies for a loan under subdivision a, in 15.1-36-08(5), which was approved for a loan of up to ten million dollars for a construction project bid after January 1, 2021, and before June 30, 2024, may apply for a loan in an amount equal to the difference between fifteen million dollars and the amount of the approved loan.
- b. A district that qualifies for a loan under subdivision b, in 15.1-36-08(5), which was approved for a loan of up to ten million dollars for a construction project bid after January 1, 2021, and before June 30, 2024, may apply for a loan in an amount equal to the difference between twenty-five million dollars and the amount of the approved loan.
- c. A district may qualify for an additional loan, if any money remains available, under this section if the project incurred additional expenses due to unanticipated construction inflation:
  1. The unanticipated construction inflation must have occurred for a

- construction project bid after January 1, 2021, and before June 30, 2024
2. The maximum loan amount for which a school district may qualify is five million dollars;
  3. The minimum loan amount or which a school district may qualify is one million dollars.
  4. The interest rate on the loan may not exceed two percent per year;
  5. The term of the loan is twenty years, unless the board of the school district requests a shorter term in the written loan application; and
  6. The school district may pledge revenues derived from its general fund levy authority or other sources of revenue authorized by law.
- f. The Superintendent of Public Instruction must use an additional application deadline of August 1, 2023. Subsequent years will use the deadline established by the Department of Public Instruction.