

## CAPITAL CONSTRUCTION - OVERVIEW

### CAPITAL PROJECTS

The Legislative Assembly provided funding of \$746,372,853, an increase of \$55,382,132 from the executive recommendation of \$690,990,721, for the following capital projects:

- \$118,150,848 for major capital projects, including the energy improvement project.
- \$17,468,067 for extraordinary repairs.
- \$610,753,938 for other projects (including \$490,691,023 for the Department of Transportation and \$98,168,213 for the State Water Commission).

The following schedule provides information regarding the funding sources for major capital projects and extraordinary repairs and other projects included in the executive recommendation and authorized by the Legislative Assembly:

	2003-05 Executive Recommendation		2003-05 Legislative Appropriations	
	General Fund	Special Funds	General Fund	Special Funds
Major capital projects	\$3,397,129	\$109,044,228	\$395,500	\$117,755,348
Extraordinary repairs and other projects	25,348,427	553,200,937	25,391,927	602,830,078
Total	\$28,745,556	\$662,245,165	\$25,787,427	\$720,585,426

The Legislative Assembly approved the executive recommendation in Senate Bill No. 2022 to authorize the State Water Commission to issue up to \$60 million in bonds for water and flood control projects during the 2003-05 biennium.

### STATE FACILITY ENERGY IMPROVEMENT PROGRAM

North Dakota Century Code Section 54-44.5-08 (1999 Senate Bill No. 2312) establishes the state facility energy improvement program and provides that all state agencies and institutions should, with the assistance of the Office of Management and Budget, identify capital improvements which may result in

energy savings. Those capital improvement projects, which are selected to be implemented, are financed with the resulting savings in energy costs.

The Legislative Assembly provided funding of \$105,326, a decrease of \$3,029,191 from the executive recommendation of \$3,134,517 for state facility energy improvement projects. The following are the state agencies and institutions with energy-saving improvement projects included in the executive recommendation and authorized by the Legislative Assembly:

	2003-05 Executive Recommendation		2003-05 Legislative Appropriations	
	General Fund	Special Funds	General Fund	Special Funds
University of North Dakota		\$1,951,214		
North Dakota State University		\$1,077,977		
Department of Corrections and Rehabilitation		105,326		\$105,326
Total	\$0	\$3,134,517	\$0	\$105,326

### LEASE PAYMENTS

The Legislative Assembly approved the executive recommendation to provide funding in the budgets for the North Dakota University System, Department of Human Services, Department of Corrections and Rehabilitation, Adjutant General, State Department of Health, and Job Service North Dakota for the 2003-05 biennium general fund lease payments for repayment of notes issued to finance capital projects.

North Dakota Century Code Section 54-17.2-23 limits the amount of lease payments paid from the general fund for a biennium to 10 percent of an equivalent one-cent sales tax based on the projected sales, use, and motor vehicle excise tax collections presented to the Legislative Assembly at the close of the most recently adjourned regular legislative session. This maximum for the 2003-05 biennium is \$17,358,880 based on the March 2003 revenue forecast for sales, use, and motor vehicle excise tax collections. The estimated general fund lease payments for the 2003-05 biennium are \$15,985,849, which is \$1,373,031 less than the legal limit of debt service.