

March 24, 2021

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1431

- Page 1, line 1, remove "a new section to chapter 6-09 and"
- Page 1, line 2, remove "a water infrastructure revolving"
- Page 1, line 3, remove "loan fund and"
- Page 1, line 3, remove "subsection 1 of section 6-09-49,"
- Page 1, line 4, remove the first "and"
- Page 1, line 4, remove "interest"
- Page 1, line 5, remove "rates for infrastructure revolving loans,"
- Page 1, line 6, remove the comma
- Page 1, line 10, remove "and"
- Page 1, line 10, after "repayment" insert "; to provide an exemption; to provide a statement of legislative intent; and to provide a report"
- Page 1, remove lines 12 through 23
- Page 2, remove lines 1 through 30
- Page 3, line 31, after "programs" insert "and the clean sustainable energy fund"
- Page 4, line 3, remove "This section may not be construed to require the state to appropriate funds"
- Page 4, remove lines 4 through 9
- Page 4, line 10, replace "outstanding" with "Neither the obligation of the state to pay the bonds nor the obligation of the issuer to pay debt service will constitute a debt of the state or any agency or political subdivision of the state within the meaning of any constitutional or statutory provision. The issuance of the bond does not directly or contingently obligate the state to pay the bond payments beyond the appropriation for the current biennium of the state. The issuer has no taxing power"
- Page 4, line 11, after "bonds" insert ", capitalized interest."
- Page 7, line 10, after "**programs**" insert "**and clean sustainable energy fund**"
- Page 7, line 14, after "programs" insert "and the clean sustainable energy fund"
- Page 7, line 20, after "may" insert "only"
- Page 7, line 20, after "issue" insert "bonds under this Act to provide"
- Page 7, line 20, replace "\$680,000,000 of bonds" with "\$1,110,000,000 in funds"
- Page 7, line 21, after "programs" insert "and the clean sustainable energy fund as authorized in this Act"
- Page 7, line 23, replace "twenty" with "thirty"

Page 7, line 25, after "programs" insert "and the clean sustainable energy fund"

Page 7, remove line 26

Page 7, line 27, replace "sale directly to North Dakota residents and financial institutions" with "The state investment board may purchase the bonds as investments for the funds under its management"

Page 7, line 28, after "costs" insert ", capitalized interest,"

Page 7, line 28, replace "\$680,000,000" with "\$1,110,000,000"

Page 7, line 30, after "programs" insert "and the clean sustainable energy fund"

Page 8, line 4, remove "and"

Page 8, line 7, after "project" insert ";

- f. \$250,000,000 to the clean sustainable energy fund;
- g. \$30,000,000 to the township highway aid fund;
- h. \$60,000,000 to the department of career and technical education operating fund;
- i. \$71,000,000 to the strategic investment and improvements fund;
- j. \$10,000,000 to the state park fund;
- k. \$4,000,000 to Dickinson state university, which is appropriated to Dickinson state university for a Pulver hall project, a meat processing laboratory remodel, a digitization project, and other projects;
- l. \$4,000,000 to the university of North Dakota, which is appropriated to the university of North Dakota for a space command initiative and related technical programs at the university of North Dakota, including equipment, renovation, a sensitive compartmental information facility, and other expenses; and
- m. \$1,000,000 to the cultural endowment fund under section 54-54-08.1"

Page 8, line 9, replace "7" with "5"

Page 8, after line 30, insert:

**"SECTION 9. APPROPRIATION - TOWNSHIP HIGHWAY AID FUND - EXEMPTION - REPORT.** There is appropriated out of any moneys in the township highway aid fund in the state treasury, not otherwise appropriated, the sum of \$30,000,000, or so much of the sum as may be necessary, derived from bond proceeds to the department of transportation for distributions to townships for road and bridge infrastructure needs for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

- 1. Notwithstanding section 54-27-19.1, the department of transportation shall distribute \$10,000,000 to non-oil-producing townships based on township roadway miles without a matching requirement.
- 2. a. Notwithstanding section 54-27-19.1, the department of transportation shall make available \$20,000,000 for grants to townships. The

department shall award grants with preference given to grant applications for projects that:

- (1) Leverage available state, local, or federal funding;
  - (2) Coordinate with state, county, and other township projects;
  - (3) Focus on flood control and infrastructure resilience;
  - (4) Reduce road restrictions, improve mobility, and improve safety;
  - (5) Improve the agricultural economy and goods movement; and
  - (6) Confirm participating townships' ability to maintain the improvements.
- b. The department shall establish an application process that must include the following eligibility requirements:
- (1) The roadways or bridges associated with the project must provide continuity and connectivity to efficiently integrate and improve paved and unpaved corridors within the township and across township borders;
  - (2) The project must be consistent with applicable township long-range planning;
  - (3) The project must result in the roadway segment meeting an appropriate legal load limit; and
  - (4) The project must comply with the American association of state highway transportation officials pavement and bridge design procedures and standards developed by the department of transportation in conjunction with the local jurisdiction.
- c. For approved projects, the department shall initially distribute the portion of the approved grant funding for engineering and plan development costs. Upon execution of a construction contract by the township, the department shall distribute the remainder of the approved funding. Townships shall report to the department upon awarding of each contract and upon completion of each project.
- d. Grants may be awarded for construction, engineering, and plan development costs, but may not be used for routine maintenance. Grants awarded may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2021. Section 54-44.1-11 does not apply to funding under this subsection and any funds not spent by June 30, 2023, must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for the purposes authorized by this subsection.
3. For the purposes of this section, a "non-oil-producing county" means a county that has received no allocation of funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1, 2019, and ending August 31, 2020.
4. The funding provided in this section is considered a one-time funding item and the department shall report to the budget section and to the

appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding, including the amounts awarded and distributed to each township, the amounts spent to date, and the amounts anticipated to be continued into the 2023-25 biennium.

**SECTION 10. APPROPRIATION - DEPARTMENT OF CAREER AND TECHNICAL EDUCATION OPERATING FUND.** There is appropriated out of any moneys in the department of career and technical education operating fund in the state treasury, not otherwise appropriated, the sum of \$45,000,000, or so much of the sum as may be necessary, derived from bond proceeds to the department of career and technical education for the purpose of providing grants for buildings and equipment, for the biennium beginning July 1, 2021, and ending June 30, 2023. The department of career and technical education shall distribute up to \$45,000,000 of the grants for the construction of new career and technical education centers with a limit of up to \$15,000,000 per center, and a center must provide one dollar of matching funds for each dollar of grant funding received for the construction of a new career and technical education center. The remaining amount is available for grants for equipment at other career and technical education programs located in the state, which must be distributed by the department of career and technical education through a competitive grant process without a matching requirement.

**SECTION 11. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - TRANSFER.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$66,300,000, or so much of the sum as may be necessary, derived from bond proceeds to the office of management and budget for deferred maintenance and other improvement projects, for the biennium beginning July 1, 2021, and ending June 30, 2023. The office of management and budget shall use up to \$700,000 for accessibility improvements on the state capitol grounds for costs relating to compliance with the Americans with Disabilities Act of 1990 improvements and other accessibility improvements. In consultation with the legislative management, the office of management and budget shall use up to \$600,000 to remodel the Brynhild Haugland room in the state capitol. The office of management and budget shall use up to \$65,000,000 for deferred maintenance on state buildings with priority given to the most critical maintenance projects based on an assessment conducted during the 2019-20 interim. The office of management and budget may transfer funds from the \$65,000,000 for deferred maintenance under this section to other eligible state agencies for deferred maintenance projects on state buildings, for the biennium beginning July 1, 2021, and ending June 30, 2023.

**SECTION 12. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$4,700,000, or so much of the sum as may be necessary, derived from bond proceeds to the state historical society for the maintenance of state historical buildings, for the biennium beginning July 1, 2021, and ending June 30, 2023."

Page 9, line 4, remove "water"

Page 9, line 4, after the second "fund" insert "under section 6-09-49"

Page 9, after line 4, insert:

**"SECTION 14. LEGISLATIVE INTENT - CULTURAL ENDOWMENT FUND.** It is the intent of the sixty-seventh legislative assembly that the council on the arts

expend up to \$50,000 annually from the cultural endowment fund pursuant to the appropriation authority provided in section 2 of Senate Bill No. 2010 during the 2021-23 biennium for the maintenance of the public art projects constructed as part of the North Dakota creative placemaking program. It is further the intent of the legislative assembly that the council on the arts continue to expend \$50,000 annually from the cultural endowment fund for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program until the moneys derived from the bond proceeds authorized in this Act and deposited in the fund have been fully expended."

Renumber accordingly