

**Sixty-fourth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 6, 2015**

HOUSE BILL NO. 1014  
(Appropriations Committee)  
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the state industrial commission and the agencies under the management of the industrial commission; to provide a continuing appropriation; to provide a contingent appropriation; to authorize transfers; to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to a North Dakota financial center; to amend and reenact sections 54-17-40, 54-17-41, 54-17.5-02, and 57-38-01.32 of the North Dakota Century Code, section 22 of chapter 579 of the 2011 Session Laws, and section 9 of House Bill No. 1358, as approved by the sixty-fourth legislative assembly, relating to the housing incentive fund credits, the lignite research council, the use of the flex PACE program, and a transfer from the abandoned oil and gas well plugging and site reclamation fund; to provide exemptions; to provide legislative intent; to provide for transfers; to provide for contingent transfers; to provide for a report to the legislative council; to provide for reports to legislative management and appropriations committees; to provide a contingent effective date; to provide an expiration date; and to declare an emergency.

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

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state industrial commission and agencies under its control for the purpose of defraying the expenses of the state industrial commission and agencies under its control, for the biennium beginning July 1, 2015, and ending June 30, 2017, as follows:

Subdivision 1.

INDUSTRIAL COMMISSION

|                                | <u>Base Level</u> | <u>Adjustments or<br/>Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Salaries and wages             | \$17,873,876      | \$5,041,695                            | \$22,915,571         |
| Accrued leave payments         | 347,696           | (347,696)                              | 0                    |
| Operating expenses             | 4,775,576         | 4,187,144                              | 8,962,720            |
| Capital assets                 | 0                 | 13,666,822                             | 13,666,822           |
| Grants                         | 19,500,000        | (14,500,000)                           | 5,000,000            |
| Grants - bond payments         | <u>19,809,969</u> | <u>(4,769,140)</u>                     | <u>15,040,829</u>    |
| Total all funds                | \$62,307,117      | \$3,278,825                            | \$65,585,942         |
| Less estimated income          | <u>40,973,792</u> | <u>(10,354,023)</u>                    | <u>30,619,769</u>    |
| Total general fund             | \$21,333,325      | \$13,632,848                           | \$34,966,173         |
| Full-time equivalent positions | 98.75             | 23.00                                  | 121.75               |

Subdivision 2.

BANK OF NORTH DAKOTA - OPERATIONS

|                                 | <u>Base Level</u> | <u>Adjustments or<br/>Enhancements</u> | <u>Appropriation</u> |
|---------------------------------|-------------------|--|----------------------|
| Bank of North Dakota operations | \$51,523,916      | \$7,018,385                            | \$58,542,301         |
| Accrued leave payments          | 881,231           | (881,231)                              | 0                    |
| Capital assets                  | <u>745,000</u>    | <u>17,000,000</u>                      | <u>17,745,000</u>    |

|                                |              |              |              |
|--------------------------------|--------------|--------------|--------------|
| Total special funds            | \$53,150,147 | \$23,137,154 | \$76,287,301 |
| Full-time equivalent positions | 179.50       | 2.00         | 181.50       |

Subdivision 3.

MILL AND ELEVATOR ASSOCIATION

|                                   | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------------------|-------------------|------------------------------------|----------------------|
| Salaries and wages                | \$29,141,750      | \$7,137,148                        | \$36,278,898         |
| Accrued leave payments            | 575,807           | (575,807)                          | 0                    |
| Operating expenses                | 21,796,000        | 5,531,000                          | 27,327,000           |
| Contingencies                     | 400,000           | 100,000                            | 500,000              |
| Agriculture promotion             | 210,000           | 0                                  | 210,000              |
| Total from mill and elevator fund | \$52,123,557      | \$12,192,341                       | \$64,315,898         |
| Full-time equivalent positions    | 135.00            | 12.00                              | 147.00               |

Subdivision 4.

HOUSING FINANCE AGENCY

|                                      | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------------|-------------------|------------------------------------|----------------------|
| Salaries and wages                   | \$7,434,877       | \$310,157                          | \$7,745,034          |
| Accrued leave payments               | 147,806           | (147,806)                          | 0                    |
| Operating expenses                   | 3,791,758         | (47,483)                           | 3,744,275            |
| Grants                               | 29,533,050        | (3,602,270)                        | 25,930,780           |
| Housing finance agency contingencies | 100,000           | 0                                  | 100,000              |
| Total special funds                  | \$41,007,491      | (\$3,487,402)                      | \$37,520,089         |
| Full-time equivalent positions       | 46.00             | 0.00                               | 46.00                |

Subdivision 5.

BILL TOTAL

|                           | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|-------------------|------------------------------------|----------------------|
| Grand total general fund  | \$21,333,325      | \$13,632,848                       | \$34,966,173         |
| Grand total special funds | 187,254,987       | 31,488,070                         | 218,743,057          |
| Grand total all funds     | \$208,588,312     | \$45,120,918                       | \$253,709,230        |

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIFTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-third legislative assembly for the 2013-15 biennium and the 2015-17 one-time funding items included in the grand total appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2013-15</u> | <u>2015-17</u> |
|-------------------------------------|----------------|----------------|
| Oil-bearing rock study              | \$80,000       | \$0            |
| Possible litigation                 | 1,000,000      | 2,500,000      |
| Core library - architect services   | 25,000         | 0              |
| Temperature profiles study          | 50,000         | 0              |
| Wide-bed plotter                    | 5,800          | 0              |
| Lignite research council grants     | 0              | 5,000,000      |
| All-terrain vehicles                | 0              | 41,500         |
| Aerial photography                  | 0              | 104,143        |
| Contract analysis                   | 0              | 125,000        |
| Digital conversion                  | 0              | 100,000        |
| Migration to RBDMS.net              | 0              | 250,000        |

|                                |                   |                   |
|--------------------------------|-------------------|-------------------|
| Financial center project       | 0                 | 17,000,000        |
| Core library expansion project | 0                 | 13,625,322        |
| Medical loan program           | 50,000,000        | 0                 |
| Housing incentive fund         | 15,400,000        | 0                 |
| Flood housing grants           | <u>1,500,000</u>  | <u>0</u>          |
| Total all funds                | \$68,060,800      | \$38,745,965      |
| Total special fund             | <u>51,500,000</u> | <u>30,625,322</u> |
| Total general fund             | \$16,560,800      | \$8,120,643       |

The 2015-17 one-time funding amounts are not a part of the entity's base budget for the 2017-19 biennium. The industrial commission shall report to the appropriations committees of the sixty-fifth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 3. LEGISLATIVE INTENT - BOND PAYMENTS.** The amount of \$15,040,829 included in subdivision 1 of section 1 of this Act in the grants - bond payments line item must be paid from the following funding sources during the biennium beginning July 1, 2015, and ending June 30, 2017:

|   |                |
|---|----------------|
| North Dakota university system  | \$8,368,836    |
| North Dakota university system - energy conservation projects               | 491,161        |
| Department of corrections and rehabilitation                                | 1,279,524      |
| Department of corrections and rehabilitation - energy conservation projects | 16,206         |
| State department of health  | 637,940        |
| Job service North Dakota  | 427,131        |
| Office of management and budget   | 664,952        |
| Office of attorney general  | 765,483        |
| State historical society  | 1,391,668      |
| Parks and recreation department   | 73,592         |
| Research and extension service  | 571,126        |
| Veterans' home  | <u>353,210</u> |
| Total   | \$15,040,829   |

**SECTION 4. APPROPRIATION.** In addition to the amount appropriated to the housing finance agency in subdivision 4 of section 1 of this Act, there is appropriated any additional income or unanticipated income from federal or other funds which may become available to the agency for the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 5. APPROPRIATION - EMERGENCY COMMISSION APPROVAL.** In addition to the amount appropriated to the state industrial commission in subdivision 1 of section 1 of this Act, there is appropriated, with the approval of the emergency commission, funds that may become available to the commission from bonds authorized by law to be issued by the state industrial commission for the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 6. TRANSFER.** The sum of \$930,000, or so much of the sum as may be necessary, included in the special funds appropriation line item in subdivision 1 of section 1 of this Act, may be transferred from the entities within the control of the state industrial commission or entities directed to make payments to the industrial commission fund for administrative services rendered by the commission. Transfers shall be made during the biennium beginning July 1, 2015, and ending June 30, 2017, upon order of the commission. Transfers from the student loan trust must be made to the extent permitted by sections 54-17-24 and 54-17-25.

**SECTION 7. TRANSFER - BANK OF NORTH DAKOTA - HOUSING INCENTIVE FUND.** The Bank of North Dakota shall transfer the sum of \$5,000,000 from the Bank's current earnings and undivided profits to the housing incentive fund for the period beginning with the effective date of this Act, and ending June 30, 2017.

**SECTION 8. CONTINGENT TRANSFER - BANK OF NORTH DAKOTA - HOUSING INCENTIVE FUND.** The Bank of North Dakota shall transfer the sum of \$5,000,000 from the Bank's current earnings and undivided profits to the housing incentive fund for the period beginning July 1, 2015, and ending June 30, 2017, if the Bank's net income, reported in accordance with financial accounting standards board accounting standards, for the calendar year 2015 exceeds \$130,000,000. The funding provided in this section may be used only for housing incentive fund awards in cities with a population of fewer than 12,500 according to the last official decennial federal census.

**SECTION 9. TRANSFER - BANK OF NORTH DAKOTA - PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of \$28,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the partnership in assisting community expansion fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 10. TRANSFER - BANK OF NORTH DAKOTA - AGRICULTURE PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of \$3,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the agriculture partnership in assisting community expansion fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 11. TRANSFER - BANK OF NORTH DAKOTA - BIOFUELS PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION.** The Bank of North Dakota shall transfer the sum of \$2,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the biofuels partnership in assisting community expansion fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 12. TRANSFER - BANK OF NORTH DAKOTA - BEGINNING FARMER REVOLVING LOAN FUND.** The Bank of North Dakota shall transfer the sum of \$7,000,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the beginning farmer revolving loan fund during the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 13. BANK OF NORTH DAKOTA - MEDICAL PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION PROGRAM.** The Bank of North Dakota shall develop a medical partnership in assisting community expansion program to assist in the financing of critical access hospital medical infrastructure projects, for the period beginning with the effective date of this Act, and ending June 30, 2017. The Bank shall adopt policies and procedures to implement this program. Notwithstanding section 6-09.14-03, the Bank may originate loans under this program or participate with a lead financial institution. Eligible projects that receive funding for an interest rate buydown under this program are not subject to the community commitment requirement in section 6-09.14-03, the maximum interest rate buydown limitation in subsection 4 of section 6-09.14-04, or the state grantor recipient reporting requirement in section 54-60.1-05.

**SECTION 14. LIGNITE RESEARCH, DEVELOPMENT, AND MARKETING PROGRAM - LIGNITE MARKETING FEASIBILITY STUDY.** The amount of \$4,500,000 from the lignite research fund, or so much of the amount as may be necessary, may be used for the purpose of contracting for an independent, nonmatching lignite marketing feasibility study or studies that determine those focused priority areas where near-term, market-driven projects, activities, or processes will generate matching private industry investment and have the most potential of preserving existing lignite production and industry jobs or that will lead to increased development of lignite and its products and create new lignite industry jobs and economic growth for the general welfare of this state. Moneys appropriated under this section also may be used for the purpose of contracting for nonmatching studies and activities in support of the lignite vision 21 program; for litigation that may be necessary to protect and promote the continued development of lignite resources; for nonmatching externality studies and activities in externality proceedings; or other marketing, environmental, or transmission activities that assist with marketing of lignite-based electricity and lignite-based byproducts. Moneys not needed for the purposes stated in this section are available to the commission for funding projects, processes, or activities under the lignite research, development, and marketing program.

**SECTION 15. CONTINGENT APPROPRIATION - INDUSTRIAL COMMISSION FUNDING.** The amount of \$556,260 from the general fund and five full-time equivalent positions included in subdivision 1 of section 1 of this Act may be spent only in accordance with provisions of this section if the monthly average drilling rig count exceeds one hundred forty drilling rigs. The industrial commission shall notify the office of management and budget and the legislative council each time one or more full-time equivalent positions is authorized to be hired. For purposes of this section, the "monthly average drilling rig count" means the number, rounded to the nearest whole number, calculated by dividing the sum of the daily drilling rig counts for a calendar month by the number of days in the month. Of the \$556,260 and the five full-time equivalent positions in this section, the industrial commission may spend funding and hire full-time equivalent positions, as follows:

1. \$166,878, of which \$126,072 is from the salaries and wages line item and \$40,806 is from the operating expenses line item, and one full-time equivalent position if the monthly average drilling rig count exceeds one hundred forty drilling rigs.
2. In addition to the funding and full-time equivalent positions authorized in subsection 1, \$139,065, of which \$105,060 is from the salaries and wages line item and \$34,005 is from the operating expenses line item, and one full-time equivalent position if the monthly average drilling rig count exceeds one hundred fifty-five drilling rigs.
3. In addition to the funding and full-time equivalent positions authorized in subsections 1 and 2, \$111,252, of which \$84,048 is from the salaries and wages line item and \$27,204 is from the operating expenses line item, and one full-time equivalent position if the monthly average drilling rig count exceeds one hundred seventy drilling rigs.
4. In addition to the funding and full-time equivalent positions authorized in subsections 1 through 3, \$83,439, of which \$63,036 is from the salaries and wages line item and \$20,403 is from the operating expenses line item, and one full-time equivalent position if the monthly average drilling rig count exceeds one hundred eighty-five drilling rigs.
5. In addition to the funding and full-time equivalent positions authorized in subsections 1 through 4, \$55,626, of which \$42,024 is from the salaries and wages line item and \$13,602 is from the operating expenses line item, and one full-time equivalent position if the monthly average drilling rig count exceeds two hundred drilling rigs.

**SECTION 16.** A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

**North Dakota financial center - Lease rates - Payments in lieu of taxes.**

The North Dakota financial center is a building that is owned by the Bank of North Dakota and is adjacent to the building in which the Bank of North Dakota is housed. The Bank of North Dakota shall lease the space in the North Dakota financial center to other state agencies based on market rate lease prices. The Bank of North Dakota shall make payments in lieu of property taxes in the manner and according to the conditions and procedures that would apply if the building were privately owned.

**SECTION 17. AMENDMENT.** Section 54-17-40 of the North Dakota Century Code is amended and reenacted as follows:

**54-17-40. (Effective through June 30, 2015~~2017~~) Housing incentive fund - Continuing appropriation - Report to budget section.**

1. The housing incentive fund is created as a special revolving fund at the Bank of North Dakota. The housing finance agency may direct disbursements from the fund and a continuing appropriation from the fund is provided for that purpose.
2. After a public hearing, the housing finance agency shall create an annual allocation plan for the distribution of the fund. At least twenty-five percent of the fund must be used to assist

developing communities to address an unmet housing need or alleviate a housing shortage. The agency may collect a reasonable administrative fee from the fund, project developers, applicants, or grant recipients. The origination fee assessed to grant recipients may not exceed five percent of the project award.

The annual allocation plan must give first priority through its scoring and ranking process to housing for essential service workers. For purposes of this subsection, "essential service workers" means individuals employed by a city, county, school district, medical or long-term care facility, the state of North Dakota, or others as determined by the housing finance agency who fulfill an essential public service.

The second priority in the annual allocation plan must be to provide housing for individuals and families of low or moderate income. For purposes of this second priority, eligible income limits are determined as a percentage of median family income as published in the most recent federal register notice. Under this second priority, the annual allocation plan must give preference to projects that benefit households with the lowest income and to projects that have rent restrictions at or below department of housing and urban development published federal fair market rents or department of housing and urban development section 8 payment standards.

The housing finance agency shall maintain a register reflecting the number of housing units owned or master leased by cities, counties, school districts, or other employers of essential service workers. This register must also reflect those entities that are providing rent subsidies for their essential workers. The housing finance agency shall report quarterly to the budget section of the legislative management on the progress being made to reduce the overall number of units owned, master leased, or subsidized by these entities. This report must include a listing of projects approved and number of units within those projects that provide housing for essential service workers.

3. The housing finance agency shall adopt guidelines for the fund so as to address unmet housing needs in this state. Assistance from the fund may be used solely for:
  - a. New construction, rehabilitation, or acquisition of a multifamily housing project;
  - b. Gap assistance, matching funds, and accessibility improvements;
  - c. Assistance that does not exceed the amount necessary to qualify for a loan using underwriting standards acceptable for secondary market financing or to make the project feasible; and
  - d. Rental assistance, emergency assistance, or targeted supportive services designated to prevent homelessness.
4. Eligible recipients include units of local, state, and tribal government; local and tribal housing authorities; community action agencies; regional planning councils; and nonprofit organizations and for-profit developers of multifamily housing. Individuals may not receive direct assistance from the fund.
5. Except for subdivision d of subsection 3, assistance is subject to repayment or recapture under the guidelines adopted by the housing finance agency. Any assistance that is repaid or recaptured must be deposited in the fund and is appropriated on a continuing basis for the purposes of this section.

**SECTION 18. AMENDMENT.** Section 54-17-41 of the North Dakota Century Code is amended and reenacted as follows:

**54-17-41. (Effective through June 30, 2015~~2017~~) Report.**

Upon request, the housing finance agency shall report to the industrial commission on the activities of the housing incentive fund.

**SECTION 19. AMENDMENT.** Section 54-17.5-02 of the North Dakota Century Code is amended and reenacted as follows:

**54-17.5-02. Lignite research council - Compensation - Appointment of members.**

The industrial commission shall consult with the lignite research council established by executive order in matters of policy affecting the administration of the lignite research fund. Section 44-03-04 does not apply to members of the council appointed by the governor.

**SECTION 20. AMENDMENT.** Section 57-38-01.32 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-01.32. (Effective for the first two taxable years beginning after December 31, 2012~~2014~~) Housing incentive fund tax credit.**

1. A taxpayer is entitled to a credit as determined under this section against state income tax liability under section 57-38-30 or 57-38-30.3 for contributing to the housing incentive fund under section 54-17-40. The amount of the credit is equal to the amount contributed to the fund during the taxable year.
2. North Dakota taxable income must be increased by the amount of the contribution upon which the credit under this section is computed but only to the extent the contribution reduced federal taxable income.
3. The contribution amount used to calculate the credit under this section may not be used to calculate any other state income tax deduction or credit allowed by law.
4. If the amount of the credit exceeds the taxpayer's tax liability for the taxable year, the excess may be carried forward to each of the ten succeeding taxable years.
5. The aggregate amount of tax credits allowed to all eligible contributors is limited to ~~twenty~~thirty million dollars.
6. Within thirty days after the date on which a taxpayer makes a contribution to the housing incentive fund, the housing finance agency shall file with each contributing taxpayer, and a copy with the tax commissioner, completed forms that show as to each contribution to the fund by that taxpayer the following:
  - a. The name, address, and social security number or federal employer identification number of the taxpayer that made the contribution.
  - b. The dollar amount paid for the contribution by the taxpayer.
  - c. The date the payment was received by the fund.
7. To receive the tax credit provided under this section, a taxpayer shall claim the credit on the taxpayer's state income tax return in the manner prescribed by the tax commissioner and file with the return a copy of the form issued by the housing finance agency under subsection 6.
8. Notwithstanding the time limitations contained in section 57-38-38, this section does not prohibit the tax commissioner from conducting an examination of the credit claimed and assessing additional tax due under section 57-38-38.

9. A passthrough entity making a contribution to the housing incentive fund under this section is considered to be the taxpayer for purposes of this section, and the amount of the credit allowed must be determined at the passthrough entity level. The amount of the total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity.

**SECTION 21. AMENDMENT.** Section 22 of chapter 579 of the 2011 Session Laws is amended and reenacted as follows:

**SECTION 22. FLEX PACE PROGRAM USE.** The Bank of North Dakota shall utilize the flex partnership in assisting community expansion program to assist in financing of affordable multifamily housing units for individuals in areas of North Dakota affected by oil and gas development, for the period beginning with the effective date of this Act and ending June 30, 20132019.

**SECTION 22. AMENDMENT.** Section 9 of House Bill No. 1358, as approved by the sixty-fourth legislative assembly, is amended and reenacted as follows:

**SECTION 9. APPROPRIATIONTRANSFER - ABANDONED OIL AND GAS WELL PLUGGING AND SITE RECLAMATION FUND TO THE OIL AND GAS RESEARCH FUND - INDUSTRIAL COMMISSION.** Notwithstanding section 38-08-04.5, there is appropriated out of any moneys in the abandoned oil and gas well plugging and site reclamation fund in the state treasury, not otherwise appropriated, The office of management and budget shall transfer the sum of \$500,000, or so much of the sum as may be necessary, to the industrial commission from the abandoned oil and gas well plugging and site reclamation fund to the oil and gas research fund, for the biennium beginning July 1, 2015, and ending June 30, 2017. The office of management and budget shall transfer the funds provided under this section at the request of the industrial commission. The industrial commission shall use the funding provided under this section for the purpose of conducting a pilot program involving the oil and gas research council in conjunction with research facilities in this state to determine the best techniques for remediating salt and any other contamination from the soil surrounding waste pits reclaimed by trenching between 1951 and 1984 in the north central portion of this state, for the biennium beginning July 1, 2015, and ending June 30, 2017. The industrial commission may not require a research facility to provide matching funds to participate in the program authorized under this section.

**SECTION 23. HOUSING FINANCE AGENCY - FLOOD-IMPACTED HOUSING ASSISTANCE - EXEMPTION.** The amount appropriated for flood-impacted housing assistance in section 4 of chapter 16 of the 2013 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available during the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 24. INDUSTRIAL COMMISSION - POSSIBLE FEDERAL AGENCY LITIGATION - EXEMPTION.** The amount appropriated for possible federal agency litigation in subdivision 1 of section 1 of chapter 45 of the 2013 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available during the biennium beginning July 1, 2015, and ending June 30, 2017.

**SECTION 25. INDUSTRIAL COMMISSION - CORE LIBRARY EXPANSION PROJECT - EXEMPTION - LEGISLATIVE MANAGEMENT REPORT - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The capital assets line item in subdivision 1 of section 1 of this Act includes \$13,625,322 from the strategic investment and improvements fund for the purpose of expanding the core library. The funding appropriated for this purpose is not subject to section 54-44.1-11 and any unexpended funds are available during the biennium beginning July 1, 2017, and ending June 30, 2019. The industrial commission shall report to the legislative management and to the appropriations committees of the sixty-fifth legislative assembly on the use of the funding provided for the core library project, including the amounts spent to date and the amounts anticipated to be continued into the 2017-19 biennium, and on the progress of the project.



**SECTION 26. CONTINGENT FUNDING - BANK OF NORTH DAKOTA - NORTH DAKOTA FINANCIAL CENTER - EXEMPTION - LEGISLATIVE MANAGEMENT REPORT.** The capital assets line item in subdivision 2 of section 1 of this Act includes \$17,000,000 from the assets of the Bank of North Dakota for the purpose of constructing a North Dakota financial center on a site adjacent to the existing building in which the Bank is located. The Bank may spend the funding only if the Bank's net income, reported in accordance with financial accounting standards board accounting standards, for calendar year 2015 exceeds \$125,000,000. The funding appropriated for this purpose is not subject to section 54-44.1-11 and any unexpended funds are available during the biennium beginning July 1, 2017, and ending June 30, 2019. The Bank of North Dakota shall report to the legislative management and to the appropriations committees of the sixty-fifth legislative assembly on the use of the funding provided for the North Dakota financial center, including the amounts spent to date and the amounts anticipated to be continued into the 2017-19 biennium, and on the progress of the project.

**SECTION 27. CONTINGENT EFFECTIVE DATE.** Section 16 of this Act is effective only if the Bank of North Dakota's net income, reported in accordance with financial accounting standards board accounting standards, for calendar year 2015 exceeds \$125,000,000.

**SECTION 28. EMERGENCY.** The amount of \$13,625,322 from the strategic investment and improvements fund in the capital assets line item in subdivision 1 of section 1 of this Act for the core library expansion project and sections 7 and 13 of this Act are declared to be an emergency measure.

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Chief Clerk of the House

\_\_\_\_\_  
Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-fourth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1014 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote:        Yeas 78                      Nays 12                      Absent 4

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
Chief Clerk of the House

This certifies that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote:        Yeas 47                      Nays 0                      Absent 0

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2015.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2015.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2015,  
at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State