

SECTION 11. AMENDMENT. Section 6-09-49 of the North Dakota Century Code is amended and reenacted as follows:

~~6-09-49. Infrastructure revolving loan fund—Continuing appropriation.~~

~~1. The infrastructure revolving loan fund is a special fund in the state treasury from which the Bank of North Dakota shall provide loans to political subdivisions for essential infrastructure projects. The Bank shall administer the infrastructure revolving loan fund. The maximum term of a loan made under this section is thirty years. A loan made from the fund under this section must have an interest rate that does not exceed two percent per year.~~

~~2. For purposes of this section, "essential infrastructure projects" means capital construction projects for the following:~~

- ~~a. New or replacement of existing water treatment plants;~~
- ~~b. New or replacement of existing wastewater treatment plants;~~
- ~~c. New or replacement of existing sewer lines and water lines; and~~
- ~~d. New or replacement of existing storm water and transportation infrastructure, including curb and gutter construction.~~

~~3. In processing political subdivision loan applications under this section, the Bank shall calculate the maximum loan amount for which a qualified applicant may qualify, not to exceed fifteen million dollars per loan. The Bank shall consider the applicant's ability to repay the loan when processing the application and shall issue loans only to applicants that provide reasonable assurance of sufficient future income to repay the loan.~~

~~4. The Bank shall deposit in the infrastructure revolving loan fund all payments of interest and principal paid under loans made from the infrastructure revolving loan fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs which may not exceed one-half of one percent of the amount of the interest payment. All moneys transferred to the fund, interest upon moneys in the fund, and payments to the fund of principal and interest are appropriated to the Bank on a continuing basis for administrative costs and for loan disbursement according to this section.~~

~~5. The Bank may adopt policies and establish guidelines to administer this loan program in accordance with the provisions of this section and to supplement and leverage the funds in the infrastructure~~

revolving loan fund. Additionally, the Bank may adopt policies allowing participation by local financial institutions.

Infrastructure revolving loan fund - Bank of North Dakota - Continuing appropriation.

1. The infrastructure revolving loan fund is a special fund in the state treasury from which Bank of North Dakota shall provide loans to political subdivisions, the Garrison Diversion Conservancy District and the Lake Agassiz water authority for essential infrastructure projects. The Bank shall use moneys in the fund to provide loans to political subdivisions for eligible infrastructure projects pursuant to subsections 7, 8 and 9.
2. The Bank may adopt policies and establish guidelines to administer the loan program in accordance with this section, including policies to supplement and leverage the moneys in the fund and policies to allow participation by local financial institutions.
3. A loan made from the fund must have an interest rate that does not exceed two percent per year. The maximum term of a loan for an infrastructure project under subsection 7 is thirty years or the useful life of the project, and the maximum term for a loan for an infrastructure project under Subsections 8 and 9 is forty years or the useful life of the project.
4. All principal and interest payments received on loans made from the infrastructure revolving loan fund must be deposited into the fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay administrative costs, which may not exceed one-half of one percent of the amount of the amount of the outstanding loans. All moneys transferred to the fund, interest upon moneys in the fund, and payments to the fund of principal and interest are appropriated to the Bank on a continuing basis for administrative costs and for loan disbursement according to this section.
5. An applicant shall issue an evidence of indebtedness as authorized by law.
6. In processing political subdivision loan applications, the Bank shall calculate the maximum outstanding loan amount per qualified applicant. The maximum outstanding loan amount for infrastructure projects under subsection 7 is forty million dollars. The Bank shall consider the applicant's ability to repay the loan when processing the application and shall issue loans only to applicants that provide reasonable assurance of sufficient future income to repay the loan.
7. Eligible infrastructure projects are capital construction projects to construct new infrastructure or to replace existing infrastructure, which provide the fixed installations necessary for the function of a political subdivision and are in the public interest. Capital construction projects exclude routine maintenance and repair projects, but include the following:
 - a. Water treatment plants;
 - b. Wastewater treatment plants;
 - c. Sewer lines and water lines, including lift stations and pumping systems;
 - d. Water storage systems, including dams, water tanks, and water towers;
 - e. Storm water infrastructure, including curb and gutter construction;

f. Road and bridge infrastructure, including paved and unpaved roads and bridges;

g. Airport infrastructure;

h. Electricity transmission infrastructure;

i. Natural gas transmission infrastructure;

j. Communications infrastructure;

k. Emergency services facilities, excluding hospitals; and

l. Essential political subdivision buildings and infrastructure.

m. The Red River valley water supply project.

8. The department of transportation shall approve county road and bridge projects. The department of transportation may adopt policies for the review and approval of loans under this section.

9. The State Water Commission shall review and approve eligible projects to construct new water related infrastructure or to replace existing water-related infrastructure, which provide the fixed installations necessary for the function of a political subdivision and are in the public interest. The state water commission may adopt policies for the review and approval of loans under this section. Capital construction projects exclude routine maintenance and repair projects, but include the following:

a. Flood control;

b. Conveyance projects;

c. Rural water supply;

d. Water supply; and

e. General water management