Sixty-seventh Legislative Assembly of North Dakota FIRST DRAFT: Prepared by the Legislative Council staff for the Interim Senate Appropriations Committee October 2021

Introduced by

1 A BILL for an Act to amend section 6 of chapter 15, section 5 of chapter 18, sections 6, 7, and 8

- 2 of chapter 19, and section 1 of chapter 55 of the 2021 Session Laws, relating to the federal
- 3 coronavirus capital projects fund and federal state fiscal recovery fund; to identify department of
- 4 transportation funding sources; to provide for a transfer; to provide an effective date; and to
- 5 declare an emergency.

## 6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7 SECTION 1. AMENDMENT. Section 6 of chapter 15 of the 2021 Session Laws is amended
8 and reenacted as follows:

## 9 SECTION 6. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL 10 PROJECTS FUND - FEDERAL STATE FISCAL RECOVERY FUND - MATCHING 11 FUNDS - ONE-TIME FUNDING.

- 12 There is appropriated from federal funds derived from the federal coronavirus 1. 13 capital projects fund, not otherwise appropriated, the sum of \$70,000,000, or so 14 much of the sum as may be necessary, to the department of career and technical 15 education for the purpose of a statewide area career center initiative grant 16 program for the period beginning with the effective date of this Act, and ending 17 June 30, 2023. The department of career and technical education shall establish 18 the application process and develop eligibility requirements for the grant program 19 that must include:
- 20a.Funding may be used only for career and technical education projects21involving construction, addition, maintenance, and equipment for new and22existing area career centers;
- b. Grants awarded to each recipient must be at least \$500,000, but may not
  exceed \$10,000,000;

1		C.	Grants may be awarded only to the extent a school district has secured
2			matching funds from nonstate sources on a dollar-for-dollar basis;
3		d.	An applicant identifying sufficient future nonstate sources of funding for
4			ongoing operating and maintenance costs associated with a new or
5			expanded area career center;
6		e.	The application period for the grant program begins with the effective date
7			of this Act and ends on June 30, 2022. Any funding not committed by
8			December 31, 2022, may not be spent and must be canceled at the end of
9			the 2021-23 biennium in accordance with section 54-44.1-11;
10		f.	Preference must be given to school districts that collaborate with other
11			school districts for a regional area career center facility or to school districts
12			to create a new area career center or use an existing area career center to
13			positively affect that region of the state; and
14		g.	Preference must be given to school districts that will promote postsecondary
15			education and workforce training education in conjunction with secondary
16			education.
17	2.	Ther	re is appropriated from federal funds derived from the federal <del>coronavirus</del>
18		capi	tal projects <u>state fiscal recovery</u> fund, not otherwise appropriated, the sum of
19		\$5,9	00,000, or so much of the sum as may be necessary, to the department of
20		publ	ic instruction for the purpose of providing a grant to an entity for the
21		deve	elopment of a children's science center for the period beginning with the
22		effec	ctive date of this Act, and ending June 30, 2023.
23	3.	Ther	re is appropriated from federal funds derived from the federal <del>coronavirus</del>
24		capi	tal projects <u>state fiscal recovery</u> fund, not otherwise appropriated, the sum of
25		\$5,0	00,000, or so much of the sum as may be necessary, to the university of
26		Nort	h Dakota for the purpose of reconstruction of the university's apron at the
27		Grar	nd Forks airport for the period beginning with the effective date of this Act,
28		and	ending June 30, 2023.
29	4.	Ther	re is appropriated from federal funds derived from the federal coronavirus
30		capi	tal projectsstate fiscal recovery fund, not otherwise appropriated, the sum of
31		\$4,0	00,000, or so much of the sum as may be necessary, to Dickinson state

- university for the purpose of a Pulver hall project, a meat processing laboratory
   remodel, and other projects for the period beginning with the effective date of this
   Act, and ending June 30, 2023.
- 5. There is appropriated from federal funds derived from the federal <del>coronavirus</del> 5. There is appropriated from federal funds derived from the federal <del>coronavirus</del> 6. <del>capital projectsstate fiscal recovery</del> fund, not otherwise appropriated, the sum of 6. \$3,000,000, or so much of the sum as may be necessary, to the highway patrol 7. for the purpose of a law enforcement training center remodel project for the 8. period beginning with the effective date of this Act, and ending June 30, 2023.
- 9 6. There is appropriated from federal funds derived from the federal coronavirus10 capital projectsstate fiscal recovery fund, not otherwise appropriated, the sum of
  11 \$500,000, or so much of the sum as may be necessary, to the office of
  12 management and budget for the purpose of providing a grant for the construction
  13 of a new medical center located in the county seat of Griggs County for the
  14 period beginning with the effective date of this Act, and ending June 30, 2023.
- There is appropriated from federal funds derived from the federal coronaviruscapital projectsstate fiscal recovery fund, not otherwise appropriated, the sum of
  \$157,600, or so much of the sum as may be necessary, to the judicial branch for
  the purpose of purchasing information technology equipment for the period
  beginning with the effective date of this Act, and ending June 30, 2023.
- 8. If the federal government distributes funding derived from the federal coronavirus capital projects fund to the state in more than one funding round, the office of
   management and budget shall prioritize the amounts received in the first funding round as follows:
- 24 a. \$19,763,000 to the department of career and technical education;
  - b. \$11,716,400 to the parks and recreation department;
- 26 c. \$5,900,000 to the department of public instruction;
- 27 d. \$5,000,000 to the university of North Dakota;
- 28 e. \$4,200,000 to the state historical society;
- 29 f. \$4,000,000 to Dickinson state university;
- 30 g. \$3,000,000 to the highway patrol;

25

31 h. \$2,000,000 to the agriculture commissioner;

1	i. \$500,000 to the office of management and budget; and			
2	j. \$157,600 to the judicial branch.			
3	9. The funding provided under this section may be spent only to the extent the			
4	director of the office of management and budget, in consultation with the budget			
5	section, determines the use of the funding complies with federal guidance for the			
6	federal coronavirus capital projects fund. The funding provided under this section			
7	is considered a one-time funding item.			
8	SECTION 2. AMENDMENT. Section 5 of chapter 18 of the 2021 Session Laws is amended			
9	and reenacted as follows:			
10	SECTION 5. ESTIMATED INCOME - FEDERAL CORONAVIRUS CAPITAL			
11	PROJECTSSTATE FISCAL RECOVERY FUND - ONE-TIME FUNDING. The			
12	estimated income line item in section 1 of this Act includes the sum of \$4,200,000 from			
13	federal funds derived from the federal coronavirus capital projectsstate fiscal recovery			
14	fund for the purpose of providing funding for capital project planning and historic site			
15	and extraordinary repairs. The federal funding provided under this section may be			
16	spent only to the extent the director of the office of management and budget, in-			
17	consultation with the budget section, determines the use of the funding complies with			
18	federal guidance for the federal coronavirus capital projects fund.			
19	SECTION 3. AMENDMENT. Section 6 of chapter 19 of the 2021 Session Laws is amended			
20	and reenacted as follows:			
21	SECTION 6. DEFERRED MAINTENANCE AND CAPITAL PROJECTS -			
22	FEDERAL CORONAVIRUS CAPITAL PROJECTSSTATE FISCAL RECOVERY			
23	FUND. The park operations and maintenance line item in subdivision 1 of section 1 of			
24	this Act includes \$7,900,000 from federal funds derived from the federal coronavirus-			
25	capital projectsstate fiscal recovery fund for deferred maintenance and capital projects			
26	for the biennium beginning July 1, 2021, and ending June 30, 2023. <del>The funding</del>			
27	provided under this section may be spent only to the extent the director of the office of			
28	management and budget, in consultation with the budget section, determines the use-			
29	of the funding complies with federal guidance for the federal coronavirus capital			
30	projects fund. The funding provided under this section is considered a one-time			
31	funding item.			

30

## SECTION 4. AMENDMENT. Section 7 of chapter 19 of the 2021 Session Laws is amended and reenacted as follows:

- 3 SECTION 7. PARKS MATCHING GRANT PROGRAM - FEDERAL CORONAVIRUS CAPITAL PROJECTSSTATE FISCAL RECOVERY FUND. The 4 5 recreation line item in subdivision 1 of section 1 of this Act includes \$1,632,800, of 6 which \$816,400 is from federal funds derived from the federal coronavirus capital 7 projectsstate fiscal recovery fund and \$816,400 is matching funds from nonstate 8 sources for a matching grant program for the biennium beginning July 1, 2021, and 9 ending June 30, 2023. The parks and recreation department may spend these funds 10 for capital project improvements at state parks, subject to the department obtaining 11 matching funds from nonstate sources for each project on a dollar-for-dollar basis. The-12 federal funding provided under this section may be spent only to the extent the director-13 of the office of management and budget, in consultation with the budget section, 14 determines the use of the funding complies with federal guidance for the federal 15 coronavirus capital projects fund. The funding provided under this section is 16 considered a one-time funding item. 17 SECTION 5. AMENDMENT. Section 8 of chapter 19 of the 2021 Session Laws is amended 18 and reenacted as follows: 19 SECTION 8. INTERNATIONAL PEACE GARDEN - FEDERAL CORONAVIRUS 20 **CAPITAL PROJECTSSTATE FISCAL RECOVERY FUND.** The International Peace 21 Garden line item in subdivision 2 of section 1 of this Act includes the sum of 22 \$3,000,000, from federal funds derived from the federal coronavirus capital-23 projectsstate fiscal recovery fund for International Peace Garden capital projects or the 24 repayment of any outstanding loan from the Bank of North Dakota authorized in 25 section 12 of chapter 44 of the 2019 Session Laws, for the period beginning with the 26 effective date of this Act, and ending June 30, 2023. Expenditure of the funds 27 appropriated for this purpose is subject to the province of Manitoba providing funding 28 equal to fifty percent of the total cost of any project paid with the funding referenced in 29 this section. The funding provided under this section may be spent only to the extent
- 31 section, determines the use of the funding complies with federal guidance for the

the director of the office of management and budget, in consultation with the budget

federal coronavirus capital projects fund. The funding provided under this section is
 considered a one-time funding item.

3 SECTION 6. AMENDMENT. Section 1 of chapter 55 of the 2021 Session Laws is amended
4 and reenacted as follows:

- 5 SECTION 1. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL 6 PROJECTSSTATE FISCAL RECOVERY FUND - INTERMODAL FACILITY 7 **CONSTRUCTION GRANT PROGRAM - ONE-TIME FUNDING.** There is appropriated 8 from federal funds derived from the federal coronavirus capital projectsstate fiscal 9 recovery fund, not otherwise appropriated, the sum of \$2,000,000, or so much of the 10 sum as may be necessary, to the agriculture commissioner for the purpose of an 11 intermodal facility grant program for capital construction projects that will expand rail 12 capacity to support economic and workforce development and growth and enhance 13 the value of agriculture and commercial products exported through an intermodal 14 facility in North Dakota for the period beginning with the effective date of this Act and 15 ending June 30, 2023. This funding is considered a one-time funding item. 16 The agriculture commissioner shall establish guidelines for awarding grants 1. 17 under the program. 18 2. Grants may be awarded only to an organization dedicated to the expansion of rail 19 capacity at an existing intermodal facility in the state connected to and served by 20 a class I railroad. Grant funds may be used only to pay for capital costs 21 associated with engineering, labor, equipment, and materials related to rail track 22 expansion. 23 The funding provided under this section may be spent only to the extent the <del>3.</del> 24 director of the office of management and budget certifies to the legislative-25 management that the use of this funding complies with federal guidelines for the 26 federal coronavirus capital projects fund. 27 SECTION 7. DEPARTMENT OF TRANSPORTATION - FEDERAL STATE FISCAL 28 **RECOVERY FUND - TRANSFER - STATE TREASURER.** Subdivision 10 of section 2 of House 29 Bill No. 1395, as approved by the sixty-seventh legislative assembly, includes the sum of 30 \$317,000,000 from federal funds derived from the federal state fiscal recovery fund. Of the
- 31 \$317,000,000, at least \$200,000,000 must be used for state road and bridge projects and up to

Sixty-seventh Legislative Assembly

\$100,000,000 may be used for local matching requirements for county bridge projects. The
department of transportation shall allocate, to the extent possible, the county bridge funding to
all areas of the state. The office of management and budget shall transfer \$17,000,000 of the
appropriation authority identified in this section to the state treasurer for distribution to
townships for road and bridge projects as follows:

- 6 1. In January 2022, the state treasurer shall distribute \$8,500,000, or so much of the sum 7 as may be necessary, to non-oil-producing counties for the benefit of the organized 8 and unorganized townships within each non-oil-producing county. The distribution to 9 each non-oil-producing county must provide for an allocation to each organized and 10 unorganized township that is proportional to the number of township road miles in 11 each organized and unorganized township relative to the combined total township 12 road miles in all the organized and unorganized townships in all the non-oil-producing 13 counties. The township road miles must be based on certifications provided to the 14 state treasurer using roadway mileage criteria from the department of transportation.
- 15
  2. In January 2022, the state treasurer shall distribute \$8,500,000, or so much of the sum
  as may be necessary, to non-oil-producing counties for the benefit of the organized
  and unorganized townships within each non-oil-producing county. The distribution to
  each non-oil-producing county must provide for an equal allocation to each organized
  and unorganized township within the county.
- 3. The amount allocated to organized townships under this subsection must be paid by
   the county treasurer to each organized township. The amount allocated to
   unorganized townships under this subsection must be credited by the county treasurer
   to a special fund for unorganized township roads.
- 4. The distributions under this subsection must be used for the maintenance and
  improvement of township paved and unpaved roads and bridges. A township is not
  eligible for an allocation of funds under this subsection if the township does not
  maintain any township roads.
- 5. 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.

Sixty-seventh Legislative Assembly

- 1 SECTION 8. EFFECTIVE DATE. This Act becomes effective December 1, 2021.
- 2 **SECTION 9. EMERGENCY.** This Act is declared to be an emergency measure.