

Fifty-ninth
Legislative Assembly
of North Dakota

SENATE BILL NO.

Introduced by

Senator Espegard

1 A BILL for an Act to create and enact section 4-14.1-07.1 of the North Dakota Century Code,
2 relating to ethanol plant production incentives; and to provide an effective date.

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

4 **SECTION 1.** Section 4-14.1-07.1 of the North Dakota Century Code is created and
5 enacted as follows:

6 **4-14.1-07.1. Ethanol plant production incentives - Report to budget section.**

- 7 1. a. An ethanol plant that was in operation before July 1, 1995, and which has a
8 production capacity of fewer than fifteen million gallons [56781000 liters] of
9 ethanol may receive up to six hundred thousand dollars in production
10 incentives from the state for production in a fiscal year.
- 11 b. An ethanol plant that was in operation before July 1, 1995, and which
12 produced fifteen million [56781000] or more gallons in the previous fiscal year
13 is eligible to receive up to three hundred thousand dollars in production
14 incentives from the state in a fiscal year.
- 15 2. The agricultural products utilization commission shall determine the amount of
16 production incentives to which a plant is entitled under this section by multiplying
17 the number of gallons of ethanol produced by the plant and marketed to a
18 distributor or wholesale by forty cents. The commission shall forward the
19 production incentives to the plant upon receipt of an affidavit by the plant indicating
20 that the ethanol is to be sold at retail to consumers. The affidavit must be
21 accompanied by an affidavit from a wholesaler or retailer indicating that the ethanol
22 is to be sold at retail to consumers.

- 1 3. Within ninety days after the conclusion of the plant's fiscal year, the plant shall
- 2 submit to the budget section of the legislative council a statement by a certified
- 3 public accountant indicating whether the plant produced a profit from its operation
- 4 in the preceding fiscal year, after deducting the payments received under this
- 5 section.

6 **SECTION 2.** This Act becomes effective on July 1, 2005.