

SENATE BILL NO. 2291

Introduced by

Senators Erbele, Dotzenrod, Wanzek

Representatives Brandenburg, D. Johnson, Onstad

1 A BILL for an Act to amend and reenact section 17-03-04 of the North Dakota Century Code,
2 relating to the biofuel partnership in assisting community expansion fund.

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

4 **SECTION 1. AMENDMENT.** Section 17-03-04 of the North Dakota Century Code, as
5 effective after July 31, 2009, is amended and reenacted as follows:

6 **(Effective after July 31, 2009) Fund moneys - Eligible uses.**

- 7 1. a. The fund moneys may be used to participate in an interest rate buydown on a
8 loan to a biodiesel or an ethanol production facility or to a livestock operation
9 for the following eligible uses:
- 10 (1) Purchase or construction of real property.
11 (2) Expansion of facilities.
12 (3) Purchase or installation of equipment, including a biodigester system.
- 13 b. The loan funds may not be used to refinance any existing debt or for the
14 relocation within this state of the biodiesel or ethanol production facility or the
15 livestock operation.
- 16 2. a. The maximum amount from the fund in the interest rate buydown for a
17 biodiesel or ethanol production facility may not exceed five hundred thousand
18 dollars to any single biodiesel or ethanol production facility under this chapter.
- 19 b. ~~The~~ Except as provided in subdivision c, the maximum amount from the fund
20 in the interest rate buydown for a livestock operation may not exceed two
21 hundred fifty thousand dollars to any single livestock operation under this
22 chapter.
- 23 c. If a livestock operation has reached the limit provided for in subdivision b as a
24 result of any activity other than the purchase or installation of a biodigester,

1 that operation is entitled to receive from the fund up to two hundred fifty
2 thousand dollars as an additional interest rate buydown on the operation's
3 purchase or installation of a biodigester system.

4 3. The fund participation is limited to the amount required to buy down the interest to
5 five hundred basis points below the national prime interest rate.

6 4. The Bank of North Dakota shall adopt rules to implement this chapter.