

Sixty-second
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1446

Introduced by

Representatives Onstad, Hatlestad, S. Meyer

Senators Wardner, Warner, Taylor

1 A BILL for an Act to provide for an oil refinery incentive grant program; to provide a contingent
2 appropriation; and to provide an exemption.

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

4 **SECTION 1. OIL REFINERY INCENTIVE GRANT PROGRAM - DEPARTMENT OF**
5 **COMMERCE.**

6 1. During the 2011-13 biennium, the department of commerce shall establish and
7 administer a program to provide a matching grant to a qualified applicant for the
8 purpose of assisting the applicant with the costs associated with the oil refinery
9 permitting process for a new oil refinery.

10 2. In order to qualify for a grant under this section, an applicant:

- 11 a. Must have completed a feasibility analysis and have a viable business plan;
- 12 b. Must have the necessary expertise to pursue the project;
- 13 c. Shall establish the proposed project would have a positive impact on the state,
14 with an anticipated minimum capacity of twenty thousand barrels per day;
- 15 d. Shall establish the availability of one dollar of nonstate, cash matching funds for
16 each one dollar of state funds available under this program;
- 17 e. Shall meet the requirements established by the department of commerce;
- 18 f. Shall agree to postaward monitoring by the department of commerce; and
- 19 g. Shall agree to the department of commerce's terms relating to ownership of
20 information if the permitting process is not successful.

21 3. A grant under this program may not exceed five million dollars.

22 4. A qualified applicant shall begin the permitting process no later than six months
23 following the grant approval.

1 5. The department of commerce shall distribute awarded grant funds on a
2 reimbursement basis. As a term of distribution of funds under this section, the qualified
3 applicant shall provide the department of commerce with any documentation required
4 by the department.

5 **SECTION 2. CONTINGENT APPROPRIATION - EXEMPTION.** Subject to the department
6 of commerce certifying to the office of management and budget that an oil refinery incentive
7 grant recipient has qualified for a grant, there is appropriated out of any moneys in the
8 permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of
9 \$5,000,000, or so much of the sum as may be necessary, to the department of commerce for
10 the purpose of providing an oil refinery incentive grant in accordance with the provisions of
11 section 1 of this Act, for the biennium beginning July 1, 2011, and ending June 30, 2013. The
12 amount appropriated under this section is not subject to section 54-44.1-11.