

SENATE BILL NO. 2427

Introduced by

Senators Triplett, Grindberg, Schneider

1 A BILL for an Act to create and enact a new subdivision to subsection 7 of section 57-38-30.3 of
2 the North Dakota Century Code, relating to allowance of the income tax credit on the form ND-1
3 income tax return for installation of geothermal energy devices; to amend and reenact sections
4 54-21.2-03 and 54-21.2-04 of the North Dakota Century Code, relating to energy conservation
5 standards in new building construction; to provide borrowing authority; to provide an
6 appropriation; and to provide an effective date.

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

8 **SECTION 1. AMENDMENT.** Section 54-21.2-03 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **54-21.2-03. Energy conservation standards.** The standards for energy conservation
11 in new building construction, for thermal design conditions and criteria for buildings, and for
12 adequate thermal resistance in regard to the design and selection of mechanical, electrical
13 service, and illumination systems and equipment which will enable the effective use of energy in
14 new buildings, must at least equal the ~~Energy Conservation Code based on the Council of~~
15 ~~American Building Officials Model Energy Code, 1989 Edition~~ international energy conservation
16 code, 2006 edition, as published by the international code council. The department of
17 commerce shall adopt rules to implement, update, and amend the ~~Model Energy Code state~~
18 energy conservation standards.

19 **SECTION 2. AMENDMENT.** Section 54-21.2-04 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **54-21.2-04. Inspections.** All construction or work ~~for which a permit is required~~
22 ~~pursuant to section 11-33-18, subsection 6 of section 40-05-02, or other similar grant of~~
23 ~~authority is subject to inspection by the local building inspector~~ subject to this chapter must be
24 inspected in accordance with section 105 of the international energy conservation code, 2006

1 edition, as published by the international code council. The governing body of a city, county, or
2 township that elects to administer and enforce an energy conservation standard for residential
3 buildings shall adopt and enforce the state energy conservation standards. ~~The state energy~~
4 ~~conservation standards may be amended by cities, counties, and townships to conform to local~~
5 ~~needs. No construction may be covered without inspection approval, and there must be a final~~
6 ~~inspection on all buildings when completed and ready for occupancy. The building inspector~~
7 ~~may cause any structure to be reinspected.~~ Notwithstanding a home rule charter or, whether or
8 not under that charter, an ordinance to the contrary, the governing body of a city, county, or
9 township shall administer and enforce energy conservation standards for commercial buildings.

10 **SECTION 3.** A new subdivision to subsection 7 of section 57-38-30.3 of the North
11 Dakota Century Code is created and enacted as follows:

12 Geothermal energy device installation credit under section 57-38-01.8.

13 **SECTION 4. INDUSTRIAL COMMISSION CONTINGENT BORROWING AUTHORITY**

14 **- APPROPRIATION.** The industrial commission may borrow the sum of \$5,000,000, or so
15 much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated
16 for the purpose of providing matching funds for energy sustainability and efficiency grants or
17 loans from the federal government stimulus program, for the biennium beginning July 1, 2009,
18 and ending June 30, 2011. The industrial commission shall request funding from the
19 sixty-second legislative assembly to repay any loan obtained under this section, including
20 accrued interest.

21 **SECTION 5. APPROPRIATION.** Any additional income received by the industrial
22 commission from federal or other funds is appropriated to the industrial commission for the
23 purpose of providing matching funds for energy sustainability and efficiency grants or loans
24 from the federal government stimulus program, for the biennium beginning July 1, 2009, and
25 ending June 30, 2011.

26 **SECTION 6. APPROPRIATION.** There is appropriated out of any moneys in the
27 general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so
28 much of the sum as may be necessary, to the industrial commission for a grant program to
29 electric utility corporations or cooperatives for the purpose of encouraging residential electric
30 energy consumers in efforts to reduce overall energy consumption and reduce peak demand.

1 **SECTION 7. EFFECTIVE DATE.** Section 3 of this Act is effective for taxable years
2 beginning after December 31, 2008, for geothermal energy devices installed after
3 December 31, 2008.