

Sixty-third  
Legislative Assembly  
of North Dakota

REENGROSSED SENATE BILL NO. 2339

Introduced by

Senators Laffen, Schneider

1 A BILL ~~for an Act to create and enact a new section to chapter 6-09.4 of the North Dakota~~  
 2 ~~Century Code, relating to the financing of housing projects and creation of a public-~~  
 3 ~~infrastructure revolving loan fund through the public finance authority; to provide an-~~  
 4 ~~appropriation; and to provide a continuing appropriation.~~for an Act to provide for a legislative  
 5 management study to address residential and commercial development programs and to review  
 6 the facility master plan.

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

8 ~~— **SECTION 1.** A new section to chapter 6-09.4 of the North Dakota Century Code is created~~  
 9 ~~and enacted as follows:~~

10 ~~— **Infrastructure revolving loan fund – Continuing appropriation – Rules.**~~

11 ~~— 1. The purpose of the infrastructure revolving loan fund is to provide loans for~~  
 12 ~~housing-related public infrastructure projects, including those for flood protection,~~  
 13 ~~utilities, storm water, roadways, or other project development.~~

14 ~~— 2. An infrastructure revolving loan fund is established to make loans for the purposes~~  
 15 ~~described in subsection 1. Moneys in the fund are appropriated on a continuing basis~~  
 16 ~~for making loans in accordance with this section. Accounts may be established in the~~  
 17 ~~fund as necessary for its management and administration.~~

18 ~~— 3. The public finance authority may manage and administer the infrastructure revolving~~  
 19 ~~loan fund and individual accounts in the fund. For those purposes, the authority may~~  
 20 ~~exercise all powers provided in this chapter.~~

21 ~~— 4. The project application to the public finance authority must include the following~~  
 22 ~~information:~~

- 1 ~~a. A description of the nature and purpose of the proposed infrastructure project,~~
- 2 ~~including an explanation of the need for the project and the reasons why the~~
- 3 ~~project is in the public interest;~~
- 4 ~~b. The estimated cost of the project and the amount of loan sought;~~
- 5 ~~c. Proposed sources of funding, in addition to loans sought from the infrastructure~~
- 6 ~~revolving loan fund; and~~
- 7 ~~d. The overall benefit of the project.~~
- 8 ~~5. A loan made under this section must:~~
- 9 ~~a. Bear interest at or below market rates;~~
- 10 ~~b. Have a repayment term not longer than seven years;~~
- 11 ~~c. Be amortized for a term to be determined by the public finance authority, with the~~
- 12 ~~remaining balance due on the maturity date of the agreement;~~
- 13 ~~d. Be subject to repayment of principal and interest beginning not later than two~~
- 14 ~~years after the facility financed with a loan has been completed; and~~
- 15 ~~e. Be disbursed for specific project elements only after all applicable environmental~~
- 16 ~~requirements have been met.~~
- 17 ~~6. Twenty percent of the funds available for loan must be reserved for cities with a~~
- 18 ~~population of four thousand or less, unless there is an insufficient number of applicants~~
- 19 ~~from cities of this size to fill this allotment.~~
- 20 ~~7. The director of the public finance authority, with the approval of the industrial~~
- 21 ~~commission, may adopt policies to implement a program to identify and assist with~~
- 22 ~~development of projects eligible for loans under this section. Projects not eligible for~~
- 23 ~~state revolving fund funding must be given priority for these funds.~~
- 24 ~~8. The director of the public finance authority may request the assistance of other~~
- 25 ~~agencies of the state as may be necessary for the administration of such projects and~~
- 26 ~~such agencies of the state shall provide such assistance.~~
- 27 ~~9. A loan may be made to a statutory or home rule charter city to finance projects for the~~
- 28 ~~purposes described in this section. The loan must be repaid by the city under the~~
- 29 ~~terms and conditions provided in this section and established by the public finance~~
- 30 ~~authority, agreed to by the city, and backed by the full faith and credit of that city.~~

1 ~~— **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the strategic-~~  
2  ~~investment and improvements fund in the state treasury, not otherwise appropriated, the sum of~~  
3  ~~\$5,000,000, or so much of the sum as may be necessary, to the industrial commission for~~  
4  ~~deposit in the infrastructure development revolving loan fund for the purpose of providing loans~~  
5  ~~under section 1 of this Act.~~

6 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PROGRAMS FOR RESIDENTIAL**  
7 **AND COMMERCIAL DEVELOPMENT - FACILITY MASTER PLAN.**

- 8 1. During the 2013-14 interim, the legislative management shall consider a study to:
- 9 a. Create an inventory of and strategic plan for state, local, and federal programs
- 10 relating to residential and commercial development and the related infrastructure
- 11 needs. As part of this study, the housing finance agency, working with the Bank of
- 12 North Dakota and department of commerce, shall survey appropriate state, local,
- 13 and federal entities to create an inventory of these government programs, which
- 14 may include housing finance programs, energy efficiency programs, home and
- 15 residential accessibility programs, disaster recovery programs, and other
- 16 governmental programs providing residential and commercial development
- 17 assistance. The housing finance agency shall present this inventory to the
- 18 legislative management and shall assist the legislative management in identifying
- 19 program overlap and program gaps.
- 20 b. Review current state government space utilization by all state government
- 21 branches and agencies, including rental, lease, and state-owned facilities. The
- 22 study must identify any recommended changes to the state's facility master plan.
- 23 2. The legislative management shall report its findings and recommendations, together
- 24 with any legislation required to implement the recommendations, to the sixty-fourth
- 25 legislative assembly.