

Sixty-seventh
Legislative Assembly
of North Dakota

REENGROSSED HOUSE BILL NO. 1475

Introduced by

Representatives Satrom, Hagert, Kempenich, Kiefert, Mitskog, Ostlie

Senators Conley, Wanzek

1 A BILL for an Act to create and enact a new section to chapter 4.1-01.1 of the North Dakota
2 Century Code, relating to an agriculture innovation fund; to provide an appropriation; to provide
3 a continuing appropriation; and to provide for a transfer.

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

5 **SECTION 1.** A new section to chapter 4.1-01.1 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Agriculture innovation fund - Continuing appropriation.**

- 8 1. There is created in the state treasury the agriculture innovation fund. The fund
9 consists of all moneys transferred to the fund by the legislative assembly, interest
10 upon moneys in the fund, and payments of interest and principal on loans made from
11 the fund. Moneys in the fund are appropriated to the Bank of North Dakota on a
12 continuing basis for loan disbursements and administrative costs pursuant to this
13 section.
- 14 2. Loans may be issued from the fund to support new or expanding value-added
15 agriculture businesses which demonstrate financial feasibility, enhance profitability for
16 farmers and ranchers, create jobs, and grow the state's economy. Value-added
17 agriculture businesses include food production or processing facilities; feed or pet food
18 processing facilities; commodity processing facilities; agriculture product
19 manufacturers; and animal agriculture production facilities, including swine, poultry,
20 and feed lot production facilities.
- 21 3. The Bank shall develop policies for the loans in consultation with the agricultural
22 products utilization commission. The Bank shall review loan applications. To be eligible
23 for a loan under this section, an entity shall agree to provide the Bank with information
24 as requested. The Bank may develop policies for loan participation with local financial

1 institutions. The Bank shall deposit in the fund all principal and interest paid on the
2 loans made from the fund. The Bank may use a portion of the interest paid on the
3 outstanding loans as a servicing fee to pay for administrative costs, which may not
4 exceed one-half of one percent of the amount of the interest payment. The Bank shall
5 contract with a certified public accounting firm to audit the fund if the fund has any
6 outstanding loans. The cost of the audit must be paid from the fund.

7 **SECTION 2. APPROPRIATION - TRANSFER TO AGRICULTURE INNOVATION FUND.**

8 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise
9 appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, which the
10 office of management and budget shall transfer to the agriculture innovation fund during the
11 biennium beginning July 1, 2021, and ending June 30, 2023.