

HOUSE BILL NO. 1362

Introduced by

Representatives Hatlestad, Dockter, Longmuir, Monson, Murphy, Richter, Motschenbacher

Senators Bekkedahl, Patten

1 A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century
2 Code, relating to a housing development loan fund; to provide an appropriation; to provide a
3 continuing appropriation; to provide for a transfer; to provide an expiration date; and to declare
4 an emergency.

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

6 **SECTION 1.** A new section to chapter 6-09 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Housing development loan fund - Continuing appropriation - Audit and costs of**
9 **administration - Transfer to general fund.**

- 10 1. The housing development loan fund is a special fund in the state treasury. The Bank of
11 North Dakota shall administer the fund for the purpose of providing loans to banks in
12 the state to establish housing development loan programs to assist housing builders
13 and developers in the county in which the local bank is located.
- 14 2. Loans provided under this section:
- 15 a. May not exceed five million dollars in total to local banks in each county except
16 that loans to banks located in counties that receive more than five million dollars
17 of oil and gas gross production tax revenue allocations per year may not exceed
18 ten million dollars in total;
- 19 b. Must have an interest rate equal to two percent; and
- 20 c. Must provide for repayment by June 30, 2030.
- 21 3. The Bank shall deposit in the housing development loan fund all payments of principal
22 and interest paid under a loan made from the housing development loan fund. The
23 Bank may use a portion of the interest paid on the outstanding loans as a servicing fee
24 to pay for administrative costs, including the cost of an audit of the fund in accordance

1 with section 6-09-29, which may not exceed one-half of one percent. All money
2 transferred to the fund, interest upon moneys in the fund, and payments to the fund of
3 principal and interest are appropriated to the Bank on a continuing basis for the
4 purpose of the requirements of this section.

5 4. The Bank shall transfer the balance in the housing development loan fund to the
6 general fund on June 30, 2030.

7 5. The Bank may adopt policies and establish guidelines to administer this loan program
8 in accordance with this section.

9 **SECTION 2. APPROPRIATION - TRANSFER - GENERAL FUND TO HOUSING**

10 **DEVELOPMENT LOAN FUND - ONE-TIME FUNDING.** There is appropriated out of any
11 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
12 \$10,000,000, which the office of management and budget shall transfer to the housing
13 development loan fund during the period beginning with the effective date of this Act and ending
14 June 30, 2027. The funding provided in this section is considered a one-time funding item.

15 **SECTION 3. EXPIRATION DATE.** This Act is effective through June 30, 2030, and after that
16 date is ineffective.

17 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.