

Sixty-ninth  
Legislative Assembly  
of North Dakota

**SECOND ENGROSSMENT  
with Conference Committee Amendments  
REENGROSSED SENATE BILL NO. 2188**

Introduced by

Senators Patten, Kessel, Sickler

Representatives Bosch, Novak, Porter

- 1 A BILL for an Act to amend and reenact sections 54-63.1-03 and 54-63.1-07 of the North  
2 Dakota Century Code, relating to the membership of the clean sustainable energy authority and  
3 the clean sustainable energy fund line of credit; and to provide for a transfer.

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

5 **SECTION 1. AMENDMENT.** Section 54-63.1-03 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **54-63.1-03. Clean sustainable energy authority - Membership - Meetings.**

- 8 1. The clean sustainable energy authority consists of ~~seventeen~~eighteen members,  
9 including nine voting members and ~~eight~~nine nonvoting technical advisors.
- 10 2. The nine voting members consist of:
- 11 a. Two members, one from the senate and one from the house of representatives,  
12 appointed by the legislative management to serve as co-chairmen;
- 13 b. Two members appointed by the lignite research council;
- 14 c. Two members appointed by the oil and gas research council;
- 15 d. Two members appointed by the renewable energy council; and
- 16 e. One member appointed by the western Dakota energy association.
- 17 3. The ~~eight~~nine nonvoting technical advisors consist of:
- 18 a. One member appointed by the North Dakota outdoor heritage fund advisory  
19 board;
- 20 b. The commissioner of commerce or the commissioner's designee;
- 21 c. The director of the department of environmental quality or the director's designee;
- 22 d. The director of the department of water resources or the director's designee;

- 1           e.   The director of mineral resources or the director's designee;
- 2           e-f.   The director of the North Dakota pipeline authority or the director's designee;
- 3           f-g.   The director of the North Dakota transmission authority or the director's designee;
- 4           g-h.   The director of the state energy research center or the director's designee; and
- 5           h-i.   The president of the Bank of North Dakota or the president's designee.
- 6       4.   The term of office for each co-chairman is two years. The term of office for the other
- 7           voting members is four years, and the other voting members may not serve more than
- 8           two consecutive terms. The terms of office for the voting members commence on July
- 9           first. The initial terms for the voting members of the authority must be staggered
- 10          following a method determined by the authority.
- 11       5.   The authority shall meet at least semiannually. The co-chairmen shall call a meeting
- 12          upon written request from three voting members of the authority. Five voting members
- 13          is a quorum at any meeting.
- 14       6.   The authority may not forward a recommendation to the commission unless the
- 15          recommendation fulfills the purposes of this chapter and is approved by a majority of
- 16          the voting members of the authority.

17       **SECTION 2. AMENDMENT.** Section 54-63.1-07 of the North Dakota Century Code is  
18   amended and reenacted as follows:

19       **54-63.1-07. Clean sustainable energy fund - Continuing appropriation - Line of credit -**  
20   **Loans - Repayments.**

- 21       1.   There is created in the state treasury the clean sustainable energy fund. The fund
- 22          consists of all moneys transferred to the fund by the legislative assembly; loan
- 23          proceeds; interest upon moneys in the fund; principal and interest payments to the
- 24          fund; and donations, grants, and other contributions received by the commission for
- 25          deposit in the fund. All moneys in the fund are appropriated to the commission on a
- 26          continuing basis to provide grants, loans, and other financial assistance and for
- 27          administrative and operating costs of the authority and program pursuant to the
- 28          provisions under this chapter.
- 29       2.   Any bond proceeds deposited in the fund must be used for loans or loan guarantees.
- 30          The Bank of North Dakota shall deposit in the fund all principal and interest paid on
- 31          the loans made from the fund. The Bank may use a portion of the interest paid on the

1 outstanding loans as a servicing fee to pay for administrative costs, not to exceed  
2 one-half of one percent of the amount of the interest payment. The fund must be  
3 audited annually pursuant to section 6-09-29, and the cost of the audit must be paid  
4 from the fund.

- 5 3. The Bank of North Dakota shall extend a line of credit to the industrial commission to  
6 support loans or loan guarantees issued from the clean sustainable energy fund. The  
7 line of credit may not exceed three hundred ninety million dollars, and the interest rate  
8 associated with the line of credit must be the prevailing interest rate charged to North  
9 Dakota governmental entities. The industrial commission shall repay the line of credit  
10 from moneys available in the clean sustainable energy fund derived from payments  
11 received on loans issued under this chapter or other sources. If the moneys available  
12 from the clean sustainable energy fund on June 30, ~~2025~~2029, are not sufficient to  
13 repay the line of credit, the industrial commission shall request from the legislative  
14 assembly a deficiency appropriation to repay the line of credit or the industrial  
15 commission may repay the line of credit from other funds, as appropriated by the  
16 legislative assembly.
- 17 4. The industrial commission may access the line of credit to the extent needed through  
18 June 30, ~~2025~~2029, to provide funding as authorized by the legislative assembly to  
19 support loans or loan guarantees issued from the clean sustainable energy fund. Any  
20 moneys borrowed from the Bank of North Dakota pursuant to this section must be  
21 transferred to the clean sustainable energy fund to support loans or loan guarantees.

22 **SECTION 3. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**  
23 **CLEAN SUSTAINABLE ENERGY GRANTS AND LOANS.** During the biennium beginning  
24 July 1, 2025, and ending June 30, 2027, the office of management and budget shall transfer the  
25 sum of \$50,000,000 from the strategic investment and improvements fund to the clean  
26 sustainable energy fund, as follows:

- 27 1. \$10,000,000 for grants; and  
28 2. \$40,000,000 to repay a line of credit and to provide funding for loans.