

March 24, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

**PROPOSED AMENDMENTS TO  
FIRST ENGROSSMENT**

**ENGROSSED HOUSE BILL NO. 1619**

Introduced by

Representatives O'Brien, Mitskog, Nelson, Stemen

Senators Dever, Klein

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 long-term care facility infrastructure loan fund; to provide for a transfer; and  
3 to provide for a continuing appropriation.

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

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

7 **Long-term care facility infrastructure loan fund - Continuing appropriation.**

- 8 1. The Bank of North Dakota shall administer a loan program to provide loans to nursing  
9 and basic care facilities for renovation projects or the construction of new facilities. A  
10 construction project may include a land purchase and the purchase, lease, erection, or  
11 improvement of any structure or facility to the extent the governing body of the nursing  
12 or basic care facility has the authority to authorize such activity.
- 13 2. The long-term care facility infrastructure loan fund is a special fund maintained in the  
14 state treasury from which the Bank shall provide loans under this section. The fund  
15 consists of revenues transferred under legislative authorization, interest upon moneys  
16 in the fund, and collections of interest and principal on loans made from the fund. All  
17 moneys in the fund are appropriated on a continuing basis to the Bank for the purpose  
18 of providing loans under this section.
- 19 3. The governing body of a nursing or basic care facility may submit an application to the  
20 Bank for a loan. The application must:

- 1           a. Detail the proposed construction project;
- 2           b. Demonstrate the need and long-term viability of the project; and
- 3           c. Include financial information the Bank determines appropriate to verify eligibility.
- 4       4. A loan approved under this section:
  - 5           a. May not exceed fifty percent of project costs;
  - 6           b. May not exceed ten million dollars for a project;
  - 7           c. Must have an interest rate that does not exceed two percent; and
  - 8           d. Must have a repayment schedule of no longer than thirty years.
- 9       5. A recipient of a loan under this section shall complete the financed construction project  
10           within twenty-four months of the approval of the loan. Failure to comply with this  
11           subsection may result in forfeiture of the entire loan received under this section.
- 12       6. The Bank shall deposit in the fund all principal and interest paid on the loans made  
13           from the fund. The Bank may deduct from interest payments a service fee for costs of  
14           administering the loan program. The fund must be audited annually pursuant to  
15           section 6-09-29, and the cost of the audit and any other actual costs incurred by the  
16           Bank on behalf of the fund must be paid from the fund.

17           **SECTION 2. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**  
18       **LONG-TERM CARE FACILITY INFRASTRUCTURE LOAN FUND.** The office of management  
19       and budget shall transfer the sum of ~~\$50,000,000~~\$100,000,000 from the strategic investment  
20       and improvements fund to the long-term care facility infrastructure loan fund during the  
21       biennium beginning July 1, 2025, and ending June 30, 2027.