

Sixty-ninth  
Legislative Assembly  
of North Dakota

**FIRST ENGROSSMENT**  
**with Conference Committee Amendments**  
**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 program; to amend and reenact  
3 subsection 3 of section 6-09-47 of the North Dakota Century Code, relating to the medical  
4 facility infrastructure loan fund; and to provide an appropriation.

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 **Long-term care facility infrastructure loan program.**

- 9 1. The Bank of North Dakota shall administer a loan program to provide loans to nursing  
10 and basic care facilities for renovation projects or the construction of new facilities. A  
11 construction project may include a land purchase and the purchase, lease, erection, or  
12 improvement of any structure or facility to the extent the governing body of the nursing  
13 or basic care facility has the authority to authorize such activity.
- 14 2. The governing body of a nursing or basic care facility may submit an application to the  
15 Bank for a loan. The application must:
- 16 a. Detail the proposed construction project;  
17 b. Demonstrate the need and long-term viability of the project; and  
18 c. Include financial information the Bank determines appropriate to verify eligibility.
- 19 3. A loan approved under this section:
- 20 a. May not exceed fifty percent of project costs;  
21 b. May not exceed ten million dollars for a project;  
22 c. Must have an interest rate that does not exceed two percent; and

- 1           d. Must have a repayment schedule of no longer than twenty years.
- 2           4. A recipient of a loan under this section shall complete the financed construction project
- 3           within twenty-four months of the approval of the loan. Failure to comply with this
- 4           subsection may result in forfeiture of the entire loan received under this section.
- 5           5. The Bank shall deposit in the strategic investment and improvements fund all principal
- 6           and interest paid on the loans made from the fund. The Bank may deduct from interest
- 7           payments a service fee for costs of administering the loan program, not to exceed
- 8           one-half of one percent of the outstanding balance of the loans.

9           **SECTION 2. AMENDMENT.** Subsection 3 of section 6-09-47 of the North Dakota Century  
10 Code is amended and reenacted as follows:

- 11           3. A loan provided under this section:
- 12           a. May not exceed the lesser of fifteen million dollars or seventy-five percent of the
- 13           actual cost of the project;
- 14           b. Must have an interest rate equal to ~~one~~two percent; and
- 15           c. Must provide a repayment schedule of no longer than twenty-five years.

16           **SECTION 3. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS**

17           **FUND - LONG-TERM CARE FACILITY INFRASTRUCTURE LOAN PROGRAM.** There is

18 appropriated out of any moneys in the strategic investment and improvements fund, not

19 otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be necessary,

20 to the Bank of North Dakota for the purpose of providing loans under the long-term care facility

21 infrastructure loan program pursuant to section 1 of this Act, for the biennium beginning July 1,

22 2025, and ending June 30, 2027.