

**FIRST ENGROSSMENT
with House Amendments**

Sixtieth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2288

Introduced by

Senators Nething, Erbele, Heitkamp

Representatives DeKrey, Gulleson, Nelson

1 A BILL for an Act to create and enact three new sections to chapter 54-60 of the North Dakota
2 Century Code, relating to renewable energy council grants and the renewable energy
3 development fund; to amend and reenact section 4-14.1-09 of the North Dakota Century Code,
4 relating to ethanol and renewable fuels incentives; to provide an appropriation; and to provide a
5 continuing appropriation.

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

7 **SECTION 1. AMENDMENT.** Section 4-14.1-09 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **4-14.1-09. Subsidy limitations.** The office of renewable energy and energy efficiency
10 may not distribute more than one million six hundred thousand dollars per eligible facility
11 annually in payments under section 4-14.1-08 and may not distribute any payment that would
12 create a negative ethanol production incentive fund balance. If the incentive fund balance is
13 insufficient to pay all valid incentive requests received in any quarter, the funds available must
14 be paid out on a pro rata basis and obligations may not be carried forward. No eligible facility
15 may receive state ~~ethanol~~ payments that exceed a cumulative total of ten million dollars or for
16 longer than ten years. Change in ownership of an eligible facility does not affect the ten million
17 dollar cumulative total allowed to be paid to that eligible facility under this section or the
18 ten-year limitation contained in this section.

19 **SECTION 2.** A new section to chapter 54-60 of the North Dakota Century Code is
20 created and enacted as follows:

21 **Renewable energy council.** The renewable energy council consists of a
22 representative of the agriculture community appointed by the governor, a member from the
23 biodiesel industry appointed by the governor, a member from the biomass industry appointed
24 by the governor, a member from the wind industry appointed by the governor, a member from

1 the ethanol industry appointed by the governor, and the commissioner of commerce who shall
2 serve as chairman of the renewable energy council. Members of the renewable energy council
3 shall represent the same interest on the energy policy commission.

4 **SECTION 3.** A new section to chapter 54-60 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Renewable energy council - Grants.** The renewable energy council shall recommend
7 to the department of commerce the approval of grants, loans, or other financial assistance
8 necessary or appropriate for funding, research, and development. Grants made pursuant to
9 this section must be matched on a dollar-for-dollar basis by the entity receiving the grant.

10 **SECTION 4.** A new section to chapter 54-60 of the North Dakota Century Code is
11 created and enacted as follows:

12 **Renewable energy development fund - Continuing appropriation.** The renewable
13 energy development fund is a special fund in the state treasury. All funds in the renewable
14 energy development fund are appropriated to the department of commerce on a continuing
15 basis for the purpose of carrying out and effectuating sections 2 and 3 of this Act. Interest
16 earned by the fund must be credited to the fund.

17 **SECTION 5. APPROPRIATION.** There is appropriated out of any moneys in the
18 general fund in the state treasury, not otherwise appropriated, the sum of \$3,000,000, or so
19 much of the sum as may be necessary, and \$17,000,000 in special funds, or so much of the
20 sum as may be necessary, and any gifts, grants, or federal funds received, to the renewable
21 energy development fund for the purpose of carrying out the renewable energy development
22 functions under sections 2 and 3 of this Act, for the biennium beginning July 1, 2007, and
23 ending June 30, 2009.