

SENATE BILL NO. 2219

Introduced by

Senators Wardner, Krebsbach, Schneider

Representatives Kempenich, Sanford, Williams

1 A BILL ~~for an Act to provide an appropriation to the department of commerce for a North Dakota~~
2 ~~state energy conservation program.~~for an Act to create and enact a new chapter to title 6 of the
3 North Dakota Century Code, relating to an energy conservation program; to provide a
4 continuing appropriation; and to provide an appropriation.

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

6 ~~— **SECTION 1. APPROPRIATION.** There is appropriated out of any moneys in the general~~
7 ~~fund in the state treasury, not otherwise appropriated, the sum of \$8,000,000, or so much of the~~
8 ~~sum as may be necessary, to the department of commerce for the purpose of administering a~~
9 ~~North Dakota state energy conservation program, for the biennium beginning July 1, 2013, and~~
10 ~~ending June 30, 2015. The department of commerce shall involve local agencies for providing~~
11 ~~energy conservation services in the homes of low and moderate income households. The~~
12 ~~funding appropriated in this section is considered a one-time funding item.~~

13 **SECTION 1.** A new chapter to title 6 of the North Dakota Century Code is created and
14 enacted as follows:
15 **Energy conservation program - Revolving fund - Continuing appropriation.**
16 1. A revolving fund must be maintained in the Bank of North Dakota for the purpose of
17 making no-interest loans to low-income and moderate-income homeowners or to
18 homeowners with low-income or moderate-income renters for the installation or
19 implementation of energy conservation measures in homes determined by the
20 department of commerce, in consultation with local agencies, to be eligible for energy
21 conservation alterations or measures.
22 2. The energy conservation revolving fund consists of all moneys transferred into the
23 fund, interest upon moneys in the fund, and loan repayments made on loans granted

1 under this chapter. The moneys in the fund are appropriated on a continuing basis for
2 disbursement under the requirements of this chapter.

3 **Loan guidelines adopted by department of commerce - Loan application.**

4 1. The department of commerce shall develop policies and guidelines for granting loans
5 under this chapter. The guidelines must:

6 a. Establish income eligibility criteria for homeowners or renters of homeowners at
7 equal to or less than one hundred fifty percent of the federal poverty guidelines;

8 b. Provide that a loan under this chapter to an eligible homeowner may not exceed
9 six thousand dollars; and

10 c. Establish contractual conditions, subject to the requirements of this chapter,
11 regarding the forgiveness of a loan granted under this chapter.

12 2. An application for a grant under this chapter must be made to the department.

13 **Security interest _Forgiveness of loans.**

14 1. The department of commerce may grant a loan to an eligible applicant in consideration
15 of the homeowner contracting with the department and granting a security interest to
16 secure the loan.

17 2. In the case of a loan to a homeowner-occupied home, the contract with the
18 homeowner must provide that the loan must be repaid in full within ninety days of the
19 sale of the property or upon the sale or transfer of the property upon the death of the
20 homeowner if there is no surviving spouse. If the homeowner or surviving spouse
21 continues to live in the home beyond ten years after the execution of the contract for
22 the loan, the department shall forgive the repayment of the loan.

23 3. A contract with a homeowner renting the property to an eligible low-income or
24 moderate-income renter must provide that if the eligible renter is evicted without
25 sufficient cause within twelve months after the execution of the contract, the
26 homeowner must repay the loan within one year. Otherwise, the contract must provide
27 that a loan to a homeowner renting the property must be repaid in ten equal annual
28 payments with the first payment due twelve months from the date of execution of the
29 contract.

30 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general
31 fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much of the

1 sum as may be necessary, to the Bank of North Dakota for the purpose of funding the energy
2 conservation revolving fund as provided under section 1 of this Act, for the biennium beginning
3 July 1, 2013, and ending June 30, 2015. This funding is considered a one-time funding item.