Sixty-eighth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2023

HOUSE BILL NO. 1215
(Representative Nathe)

AN ACT to amend and reenact subsection 7 of section 6-08.1-02, section 10-30.5-13, subsection 1 of section 17-05-13, and sections 54-17.7-13 and 54-63.1-05 of the North Dakota Century Code, relating to the filing of business incentive reports; and to repeal chapter 54-60.1 of the North Dakota Century Code, relating to business incentives, agreements, and reports administered by the department of commerce.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 7 of section 6-08.1-02 of the North Dakota Century Code is amended and reenacted as follows:

7. The release by the industrial commission, in its capacity as the managing body of the Bank of North Dakota, of the following:

   a. The name of any person who has obtained approval for direct or indirect financing or security, including a loan guarantee or a letter of credit, through the Bank of North Dakota primarily for purposes other than personal, family, or household purposes.

   b. The amount of any financing or security referenced in subdivision a.

   c. The amount of any net writeoff or loan forgiveness associated with the financing or security referenced in subdivision a which the industrial commission determines is uncollectible.

   d. The program under which any financing or security referenced in subdivision a was made.

   ~~e. Recipient reports and grantor reports as required under chapter 54-60.1.~~

SECTION 2. AMENDMENT. Section 10-30.5-13 of the North Dakota Century Code is amended and reenacted as follows:

10-30.5-13. Small business technology investment program.

1. The corporation shall administer a small business technology investment program that provides matching investments to startup technology-based businesses.

2. The following provisions apply to small business technology investments:

   a. A qualified applicant:

      (1) Must be a North Dakota business that is at the startup stage;

      (2) Must be a primary sector business in the technology field; and

      (3) Shall meet underwriting guidelines established by the corporation.

   b. Before the corporation distributes funds under this section, the recipient shall provide the corporation with detailed documentation of the availability of two dollars of angel fund investment matching funds for each dollar of state funds distributed under this section. The matching funds must be cash, must come from a North Dakota angel fund certified under section 57-38-01.26, and may not be an in-kind asset.

3. An investment under this section may not exceed fifty thousand dollars. Eligible use of the investment funds include developing a proof of concept. A recipient may not receive more than one award under this section.

~~4. An investment under this section is not a business incentive under chapter 54-60.1.~~

SECTION 3. AMENDMENT. Subsection 1 of section 17-05-13 of the North Dakota Century Code is amended and reenacted as follows:

1. The authority shall deliver a written report on its activities to the legislative council each biennium. ~~Notwithstanding chapter 54-60.1, the~~The authority shall provide an annual report to the industrial commission detailing activities and expenditures incurred during the preceding year.

SECTION 4. AMENDMENT. Section 54-17.7-13 of the North Dakota Century Code is amended and reenacted as follows:

54-17.7-13. Reporting requirements.

The authority shall deliver a written report on its activities to the legislative council each biennium. The ~~authority is not subject to the requirements of chapter 54-60.1, but to ensure public accountability, the~~ authority shall provide an annual report to the industrial commission detailing activities and expenditures incurred during the preceding year.

SECTION 5. AMENDMENT. Section 54-63.1-05 of the North Dakota Century Code is amended and reenacted as follows:

54-63.1-05. Clean sustainable energy program - Powers and duties of the commission.

1. The commission is granted all the powers necessary to carry out the purposes of this chapter, including the power to:

   a. Provide grants, loans, or other forms of financial assistance to qualified entities for the research, demonstration, development, and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and use energy sources derived from within the state. Other forms of financial assistance include venture capital investments and interest rate buydowns. The commission must require an entity to provide assurance of financial and other types of support that demonstrate a commitment to the project, process, activity, or technology. The commission may develop policies for the approval of loans or loan guarantees issued from the clean sustainable energy fund.

   b. Enter into contracts or agreements to carry out the purposes of this chapter, including contracting for the administration of the program.

   c. Keep accurate records of all financial transactions performed under this chapter.

   d. Cooperate with any private, local, state, or national organization to make contracts and agreements for programs that advance the mission of the program.

   e. Accept loan repayments, donations, grants, contributions, or gifts from any public or private source to carry out the purposes of this chapter, which must be deposited in the clean sustainable energy fund.

   f. Make guidelines necessary to carry out the purposes of this chapter, including guidelines relating to the ownership of intellectual property.

   g. Borrow from the Bank of North Dakota, as authorized by the legislative assembly, to make loans or loan guarantees under a loan program or loan guarantee program developed by the clean sustainable energy authority.

2. The commission may acquire, purchase, hold, use, lease, license, sell, transfer, or dispose of any interest in an asset necessary for clean sustainable energy technology development to facilitate the production, transportation, distribution, or delivery of clean energy commodities produced in the state as a purchases of last resort.

3. The commission shall provide administrative support to the authority for the operation of the program, including the preparation of forms, review of applications, and ongoing review of any contracts. The commission may contract with a public or private entity to provide technical assistance necessary to implement the purposes of this chapter.

~~4. The commission is not subject to the reporting requirements under chapter 54-60.1.~~

SECTION 6. REPEAL. Chapter 54-60.1 of the North Dakota Century Code is repealed.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-eighth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1215.

House Vote:	Yeas 85	Nays 6	Absent 3
Senate Vote:	Yeas 46	Nays 1	Absent 0

Chief Clerk of the House

Received by the Governor at _____M. on _____, 2023.

Approved at _____M. on _____, 2023.

Governor

Filed in this office this _____day of _____, 2023,

at _____ o'clock _____M.

Secretary of State