

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

*In place of amendment (25.1332.02001) adopted by the Senate, Engrossed House Bill No. 1619 is amended by amendment (25.1332.02006) as follows:*

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 program; to amend and reenact subsection 3 of section~~  
4 6-09-47 of the North Dakota Century Code, relating to the medical facility infrastructure loan  
5 fund; and to provide an appropriation.

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

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

9 ~~**Long-term care facility infrastructure loan fund – Continuing appropriation program.**~~

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



1 ~~3.~~ The governing body of a nursing or basic care facility may submit an application to the  
2 Bank for a loan. The application must:

- 3 a. Detail the proposed construction project;  
4 b. Demonstrate the need and long-term viability of the project; and  
5 c. Include financial information the Bank determines appropriate to verify eligibility.

6 ~~4.3.~~ A loan approved under this section:

- 7 a. May not exceed fifty percent of project costs;  
8 b. May not exceed ten million dollars for a project;  
9 c. Must have an interest rate that does not exceed two percent; and  
10 d. Must have a repayment schedule of no longer than thirty years. → 20

11 ~~5.4.~~ A recipient of a loan under this section shall complete the financed construction project  
12 within twenty-four months of the approval of the loan. Failure to comply with this  
13 subsection may result in forfeiture of the entire loan received under this section.

14 ~~6.5.~~ The Bank shall deposit in the strategic investment and improvements fund all principal  
15 and interest paid on the loans made from the fund. The Bank may deduct from interest  
16 payments a service fee for costs of administering the loan program. ~~The fund must be~~  
17 ~~audited annually pursuant to section 6-09-29, and the cost of the audit and any other~~  
18 ~~actual costs incurred by the Bank on behalf of the fund must be paid from the fund, not~~  
19 to exceed one-half of one percent of the outstanding balance of the loans.

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

22 3. A loan provided under this section:

- 23 a. May not exceed the lesser of ~~fifteen million~~ ten million dollars or seventy-five  
24 percent of the actual cost of the project;  
25 b. Must have an interest rate equal to one ~~one~~ two percent; and  
26 c. Must provide a repayment schedule of no longer than twenty-five thirty years.

27 ~~**SECTION 3. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**~~  
28 ~~**LONG TERM CARE FACILITY INFRASTRUCTURE LOAN FUND.**~~ The office of management  
29 and budget shall transfer the sum of \$50,000,000 from the strategic investment and  
30 improvements fund to the long term care facility infrastructure loan fund during the biennium  
31 beginning July 1, 2025, and ending June 30, 2027.

1     **SECTION 3. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS**  
2     **FUND - LONG-TERM CARE FACILITY INFRASTRUCTURE LOAN PROGRAM.** There is  
3     appropriated out of any moneys in the strategic investment and improvements fund, not  
4     otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be necessary,  
5     to the Bank of North Dakota for the purpose of providing loans under the long-term care facility  
6     infrastructure loan program pursuant to section 1 of this Act, for the biennium beginning July 1,  
7     2025, and ending June 30, 2027.