

Sixty-third  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2339

Introduced by

Senators Laffen, Schneider

1 A BILL for an Act to create and enact a new section to chapter 6-09.4 of the North Dakota  
2 Century Code, relating to the financing of housing projects and creation of a public  
3 infrastructure revolving loan fund through the public finance authority; to provide an  
4 appropriation; and to provide a continuing appropriation.

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

6 **SECTION 1.** A new section to chapter 6-09.4 of the North Dakota Century Code is created  
7 and enacted as follows:

8 **Infrastructure revolving loan fund - Continuing appropriation - Rules.**

- 9 1. The purpose of the infrastructure revolving loan fund is to provide loans for  
10 housing-related public infrastructure projects, including those for flood protection,  
11 utilities, storm water, roadways, or other project development.
- 12 2. An infrastructure revolving loan fund is established to make loans for the purposes  
13 described in subsection 1. Moneys in the fund are appropriated on a continuing basis  
14 for making loans in accordance with this section. Accounts may be established in the  
15 fund as necessary for its management and administration.
- 16 3. The public finance authority may manage and administer the infrastructure revolving  
17 loan fund and individual accounts in the fund. For those purposes, the authority may  
18 exercise all powers provided in this chapter.
- 19 4. The project application to the public finance authority must include the following  
20 information:
- 21 a. A description of the nature and purpose of the proposed infrastructure project,  
22 including an explanation of the need for the project and the reasons why the  
23 project is in the public interest;
- 24 b. The estimated cost of the project and the amount of loan sought;

- 1           c. Proposed sources of funding, in addition to loans sought from the infrastructure  
2           revolving loan fund; and
- 3           d. The overall benefit of the project.
- 4        5. A loan made under this section must:
- 5           a. Bear interest at or below market rates;
- 6           b. Have a repayment term not longer than seven years;
- 7           c. Be amortized for a term to be determined by the public finance authority, with the  
8           remaining balance due on the maturity date of the agreement;
- 9           d. Be subject to repayment of principal and interest beginning not later than two  
10          years after the facility financed with a loan has been completed; and
- 11          e. Be disbursed for specific project elements only after all applicable environmental  
12          requirements have been met.
- 13        6. Twenty percent of the funds available for loan must be reserved for cities with a  
14          population of four thousand or less, unless there is an insufficient number of applicants  
15          from cities of this size to fill this allotment.
- 16        7. The director of the public finance authority, with the approval of the industrial  
17          commission, may adopt policies to implement a program to identify and assist with  
18          development of projects eligible for loans under this section. Projects not eligible for  
19          state revolving fund funding must be given priority for these funds.
- 20        8. The director of the public finance authority may request the assistance of other  
21          agencies of the state as may be necessary for the administration of such projects and  
22          such agencies of the state shall provide such assistance.
- 23        9. A loan may be made to a statutory or home rule charter city to finance projects for the  
24          purposes described in this section. The loan must be repaid by the city under the  
25          terms and conditions provided in this section and established by the public finance  
26          authority, agreed to by the city, and backed by the full faith and credit of that city.

27        **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the strategic  
28 investment and improvements fund in the state treasury, not otherwise appropriated, the sum of  
29 \$50,000,000, or so much of the sum as may be necessary, to the industrial commission for  
30 deposit in the infrastructure development revolving loan fund for the purpose of providing loans  
31 under section 1 of this Act.