

SENATE BILL NO. 2219
with Conference Committee Amendments
SENATE BILL NO. 2219

Sixty-third
Legislative Assembly
of North Dakota

Introduced by

Senators Wardner, Krebsbach, Schneider

Representatives Kempenich, Sanford, Williams

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

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

5 **SECTION 1.** A new chapter to title 6 of the North Dakota Century Code is created and
6 enacted as follows:

7 **Energy conservation program - Revolving fund - Continuing appropriation.**

8 1. A revolving fund must be maintained in the Bank of North Dakota for the purpose of
9 making no-interest loans to low-income and moderate-income homeowners or to
10 homeowners with low-income or moderate-income renters for the installation or
11 implementation of energy conservation measures in homes determined by the
12 department of commerce, in consultation with local agencies, to be eligible for energy
13 conservation alterations or measures.

14 2. The energy conservation revolving fund consists of all moneys transferred into the
15 fund, interest upon moneys in the fund, and loan repayments made on loans granted
16 under this chapter. The moneys in the fund are appropriated on a continuing basis for
17 disbursement under the requirements of this chapter.

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

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

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

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

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

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

4 **Security interest _Forgiveness of loans.**

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

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

14 3. A contract with a homeowner renting the property to an eligible low-income or
15 moderate-income renter must provide that if the eligible renter is evicted without
16 sufficient cause within twelve months after the execution of the contract, the
17 homeowner must repay the loan within one year. Otherwise, the contract must provide
18 that a loan to a homeowner renting the property must be repaid in ten equal annual
19 payments with the first payment due twelve months from the date of execution of the
20 contract.

21 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general
22 fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much of the
23 sum as may be necessary, to the Bank of North Dakota for the purpose of funding the energy
24 conservation revolving fund as provided under section 1 of this Act, for the biennium beginning
25 July 1, 2013, and ending June 30, 2015. This funding is considered a one-time funding item.