

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1079**

Introduced by

Industry, Business and Labor Committee

(At the request of the Bank of North Dakota)

1 A BILL for an Act to amend and reenact section 6-09.14-03 and subsection 4 of section
2 6-09.14-04 of the North Dakota Century Code and section 22 of chapter 579 of the 2011
3 Session Laws, relating to the partnership in assisting community expansion program at the
4 Bank of North Dakota; and to declare an emergency.

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

6 **SECTION 1. AMENDMENT.** Section 22 of chapter 579 of the 2011 Session Laws is
7 amended and reenacted as follows:

8 **SECTION 22. FLEX PACE PROGRAM USE.** The Bank of North Dakota shall
9 utilize the flex partnership in assisting community expansion program to assist in
10 financing of affordable multifamily housing units for individuals in ~~areas of~~ North Dakota
11 ~~affected by oil and gas development~~, for the period beginning with the effective date of
12 this Act and ending June 30, ~~2013~~2015.

13 **SECTION 2. AMENDMENT.** Section 6-09.14-03 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **6-09.14-03. Fund - Purpose - Interest rate buydown.**

16 Moneys in the partnership in assisting community expansion fund must be used for the
17 purpose of buying down the interest rate on loans made by a lead financial institution in
18 participation with the Bank of North Dakota. The Bank of North Dakota's participation may not
19 exceed eighty percent nor be less than fifty percent of the total loans. If the loan is approved by
20 the lenders and there is evidence of the community's commitment and ability to fund its portion
21 of the buydown, the fund's participation in the buydown must automatically be approved. The
22 community's contribution of direct cash, loans, equity investments, land, property, or
23 infrastructure may count toward the community's funding of its portion of the buydown.

1 **SECTION 3. AMENDMENT.** Subsection 4 of section 6-09.14-04 of the North Dakota
2 Century Code is amended and reenacted as follows:

3 4. The maximum amount from the fund in the interest rate buydown may not exceed
4 ~~three~~five hundred thousand dollars per loan. The fund participation must be limited to
5 the amount required to buy down the interest to five hundred basis points below the
6 national prime interest rate.

7 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.