

HOUSE BILL NO. 1050

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 subsection 2 of section 54-60.1-01 of the North Dakota
2 Century Code, relating to definitions relating to business incentives, agreements, and reports.

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

4 **SECTION 1. AMENDMENT.** Subsection 2 of section 54-60.1-01 of the North Dakota
5 Century Code is amended and reenacted as follows:

6 2. "Business incentive" means a state or political subdivision direct cash transfer, loan, or
7 equity investment; contribution of property or infrastructure; reduction or deferral of
8 any tax or any fee; guarantee of any payment under any loan, lease, or other
9 obligation; or preferential use of government facilities given to a business. To be
10 considered a business incentive, the total assistance in all forms must be valued at
11 twenty-five thousand dollars or more committed within a year. Unless specifically
12 provided otherwise, the term does not include:

13 a. Assistance that is generally available to all businesses or to a general class of
14 similar businesses, such as a line of business, size, or similar criteria.

15 b. ~~Incentives resulting from Bank of North Dakota programs unless the incentive is~~
16 ~~a direct interest rate buydown or is an investment made pursuant to the North-~~
17 ~~Dakota alternative and venture capital investments and early stage capital funds~~
18 ~~program~~requires job creation to fulfill a requirement of the incentive.

19 c. Public improvements to buildings or lands owned by the state or political
20 subdivision which serve a public purpose and do not principally benefit a single
21 business or defined group of businesses at the time the improvements are made.

22 ~~d. e.~~ Assistance provided for the sole purpose of renovating old or decaying building
23 stock or bringing such building stock up to code and assistance provided for

- 1 designated historic preservation districts, provided that the assistance does not
2 exceed seventy-five percent of the total cost.
- 3 e.d. Assistance to provide job-readiness and training services if the sole purpose of
4 the assistance is to provide those services.
- 5 f.e. Assistance for housing.
- 6 g.f. Assistance for pollution control or abatement.
- 7 h.g. Assistance for energy conservation.
- 8 i.h. Tax reductions resulting from conformity with federal tax law.
- 9 j.i. Benefits derived from regulation.
- 10 k.j. Indirect benefits derived from assistance to educational institutions.
- 11 l.k. Assistance for a collaboration between a North Dakota institution of higher
12 education and a business.
- 13 m.l. Redevelopment if the recipient's investment in the purchase of the site and in site
14 preparation is seventy percent or more of the assessor's current year's estimated
15 market value.
- 16 n.m. General changes in tax increment financing law and other general tax law
17 changes of a principally technical nature.
- 18 o.n. Federal assistance provided through the state or a political subdivision until the
19 assistance has been repaid to, and reinvested by, the state or political
20 subdivision.
- 21 p.o. Federal or state assistance for the lignite research, development, and marketing
22 program under chapter 54-17.5.
- 23 q.p. Federal or state assistance for the oil and gas research, development, and
24 marketing program under chapter 54-17.6.
- 25 r.q. Federal or state assistance for the renewable energy program under chapter
26 54-63.