

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1088

2007 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1088

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1088

House Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: January 15, 2007

Recorder Job Number: 1118

Committee Clerk Signature



Minutes:

Chair Keiser opened the hearing on HB 1088.

Bob Humann, Bank of ND: See written testimony #!.

Rep. Dosch: Does it have any limitations as to the dollar amount of the loan guarantee approval?

Bob: No, there is not.

Rep. Keiser: Why is it so important to make a point that you can now guarantee loans in the future without limited concern about date?

Bob: I don't know if it's that important that you have that ability in the future so much, but it seems like we get more and more people asking us to guarantee loans as opposed to just being a participant in the loan.

Rep. Keiser: Should we be doing more in those programs, other than guaranteeing loans?

Bob: There are other things being done in relation to those programs, for example the feedlot loan guarantee program. There is legislation going through the session right now, that would open up the ability for the bank to be able to guarantee feedlot loans, and dairy loans that would take advantage of feeding the DVG's from ethanol and bio diesel facilities.

Rep. Dosch: Is there any regulatory limit as to the amount of dollars that can be out in guarantee loans? Are there some statutory limits out there?

Bob: Currently, at this time the bank is still composing the lending limit as \$25 million, and that's roughly 50% of our \$160 million in capital. So, of course we wouldn't be guaranteeing any loans that would exceed that \$25 million. If we had to pay that full amount out, what would that do to our entire capital position? We would also put in more specific program limitations on how much we could actually guarantee.

Rep. Keiser: The second part where you are now taking student loans out as the reserve source for the guaranteed program, how are we dealing with that student loan reserve when it is dedicated to this purpose?

Bob: From what I understand with the student loan trust, they mentioned the fact that there could be some liability there with the venture capital program. They mentioned that in their annual audit, but I don't think they were reserving any dollars for that. The bank actually is reserving dollars for that, and they're going off reserve thinking that there still had to be a decision made by the Industrial Commission whether or not we were going to get reimbursed by the trust.

Rep. Keiser: Is the reserve in that fund to large?

Karlene Fine, Industrial Commission: In regard to the Student Loan Trust, the majority of all loans are all guaranteed by the federal government. So, we were not setting aside a specific loan reserve, nor did our auditors enquire us to set aside a loan reserve. What we have is unencumbered to a certain extent, funds in the trust right now under our first resolution that is approximately \$20 million. That is what we were looking at as being the source for paying out any lot that they would have. So, each time that limitation was lifted, the fund could only guarantee up to \$10 million.

Rep. Keiser: Is that to much?

Karlene: Those funds that are held in that first resolution are getting a return of 9 ½ % so, as those loans are paid off we will no longer be able to receive a 9 ½.

Hearing Closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1088

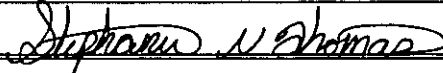
House Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: January 22, 2007

Recorder Job Number: 1495

Committee Clerk Signature



Minutes:

Chair Keiser opened the hearing on HB 1088.

Rep. Dosch: They have these powers, but they are for specific programs that we have established, and the dollar amounts that we have established. We've given them authority with two guarantee leases for specific loan programs. Here we're saying we're not limiting these specific funds anymore, we're saying just go for it now.

Rep. Keiser: We're adding the adventure capital program, I believe, are we not?

Rep. Dosch: I think that was the bill with the Student Loan Trust Fund.

Rep. Clark: I think the bank feels that \$30 million reserve is more than accurate for their needs. That's their position on it.

Rep. Kasper: This also repeals the effective date through July 31, 2009. So, if we don't pass this bill they still have a program for the next two years, and then they have to come back and make their case.

Rep. Kasper: I move a do not pass.

Rep. Ruby: Second.

Rep. Thorpe: Has the bank board members had any input on this at all?

Rep. Keiser: I don't know the answer to that.

Roll call vote was taken. 8 Yeas, 3 Nays, 3 Absent, Carrier: Rep. Dosch

Hearing closed.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1088

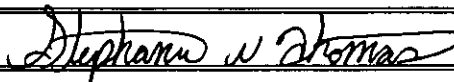
House Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: January 31, 2007

Recorder Job Number: 2403

Committee Clerk Signature



Minutes:

Chair Keiser opened the hearing on HB 1088.

Rep. Dosch: Overview of proposed amendment. The only thing that we kept in the bill was on page 6; line 7 which is the repeal, section to repeal section 609.40 of the ND Century Code.

What that repeal section does is it repeals the banks ability to seek reimbursement from the Industrial Commission for a transfer from the Student Loan Trust Fund to reimburse the bank the losses incurred from the new venture capital program. Why the Student Loan Trust Fund ever was used to fund options from the venture capital program, I guess they had money at the time, and thought that well most venture capital programs dealt with some of the colleges and universities as they started to get some of these new businesses going, and that was kind of their justification. Basically, what the Bank of ND is saying now is we don't need to go to that Student Loan Trust Fund anymore, the bank has adequate reserves just out of its general loan loss reserves to cover this, and they don't want to take it out of the Student Loan Trust fund.

Rep. Dosch: I move a motion to amend.

Rep. Vigesaa: Second.

Voice vote taken, motion to amend passes.

Rep. Clark: I move a do pass, as amended.

Page 2
House Industry, Business and Labor Committee
Bill/Resolution No. HB 1088
Hearing Date: January 31, 2007

Rep. Boe: Second.

Roll call vote was taken. 13 Yeas, 0 Nays, 1 Absent, Carrier: Rep. Dosch

Hearing closed.

FISCAL NOTE

Requested by Legislative Council

02/28/2007

Amendment to: Engrossed
 HB 1088

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Sec. 1 amends Sec. 6-09-15 of NDCC to allow BND to invest in ND based venture capital entities that invest in companies outside ND limiting the investment to \$200M per biennium. Sec. 2 repeals Sec. 6-09-40 of the NDCC re: reimbursement of BND losses from investments in NVCP from NDSLTL fund.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

This legislation has no fiscal impact to the State of North Dakota. Investments and loans of the New Venture Capital Program are Bank of North Dakota assets.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Robert A. Humann	Agency:	Bank of North Dakota
Phone Number:	328-5703	Date Prepared:	02/28/2007

FISCAL NOTE

Requested by Legislative Council

02/07/2007

Amendment to: HB 1088

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Section 1 repeals Section 6-09-40 of the North Dakota Century Code regarding reimbursement of Bank losses resulting from investments in the New Venture Capital Program from the Student Loan Trust Fund.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

This legislation has no fiscal impact to the State of North Dakota. Investments and loans of the New Venture Capital Program are Bank of North Dakota assets.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Robert A Humann	Agency:	Bank of North Dakota
Phone Number:	328-5703	Date Prepared:	02/08/2007

FISCAL NOTE
 Requested by Legislative Council
 12/27/2006

Bill/Resolution No.: HB 1088

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Section 1 relates to powers of Bank of North Dakota to guarantee loans and makes that provision permanent. Section 2 relates to the reimbursement of Bank losses to the New Venture Capital Program.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

None of the sections of this legislation have a fiscal impact to the State of North Dakota.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Name:	Robert A. Humann	Agency:	Bank of North Dakota
Phone Number:	328-5703	Date Prepared:	01/08/2007

Date: 1-22-07
Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1088

House Industry Business & Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass

Motion Made By Rep. Kasper Seconded By Rep. Ruby

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	X		Rep. Amerman		
Vice Chairman Johnson		X	Rep. Boe		
Rep. Clark		X	Rep. Gruchalla	X	
Rep. Dietrich	X		Rep. Thorpe		X
Rep. Dosch	X		Rep. Zaiser		
Rep. Kasper	X				
Rep. Nottestad	X				
Rep. Ruby	X				
Rep. Vigesaa	X				

Total Yes 8 No 3

Absent 3

Floor Assignment Rep. Dosch.

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1088: Industry, Business and Labor Committee (Rep. Keiser, Chairman)
recommends **DO NOT PASS** (8 YEAS, 3 NAYS, 3 ABSENT AND NOT VOTING).
HB 1088 was placed on the Eleventh order on the calendar.

**House Amendments to HB 1088 (78095.0101) - Industry, Business and Labor
Committee 02/01/2007**

Page 1, line 1, remove "amend and reenact section 6-09-15 of the North Dakota Century Code,"

Page 1, remove line 2

Page 1, line 3, remove "permanent; and to"

Page 1, line 4, remove "; and to provide an effective"

Page 1, line 5, remove "date"

Page 1, remove lines 7 through 23

**House Amendments to HB 1088 (78095.0101) - Industry, Business and Labor
Committee 02/01/2007**

Page 2, remove lines 1 through 30

**House Amendments to HB 1088 (78095.0101) - Industry, Business and Labor
Committee 02/01/2007**

Page 3, remove lines 1 through 31

**House Amendments to HB 1088 (78095.0101) - Industry, Business and Labor
Committee 02/01/2007**

Page 4, remove lines 1 through 31

**House Amendments to HB 1088 (78095.0101) - Industry, Business and Labor
Committee 02/01/2007**

Page 5, remove lines 1 through 31

**House Amendments to HB 1088 (78095.0101) - Industry, Business and Labor
Committee 02/01/2007**

Page 6, remove lines 1 through 6

Renumber accordingly

Date: 1-31-07
Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1088

House Industry Business & Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS, as amended

Motion Made By Rep. Clark Seconded By Rep. Boe

Representatives	Yes	No	Representatives	Yes	No
Chairman Keiser	X		Rep. Amerman	X	
Vice Chairman Johnson			Rep. Boe	X	
Rep. Clark	X		Rep. Gruchalla	X	
Rep. Dietrich	X		Rep. Thorpe	X	
Rep. Dosch	X		Rep. Zaiser	X	
Rep. Kasper	X				
Rep. Nottestad	X				
Rep. Ruby	X				
Rep. Vigesaa	X				

Total Yes 13 No 0

Absent 1

Floor Assignment Rep. ~~Clark~~ Dosch

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1088: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1088 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "amend and reenact section 6-09-15 of the North Dakota Century Code,"

Page 1, remove line 2

Page 1, line 3, remove "permanent; and to"

Page 1, line 4, remove "; and to provide an effective"

Page 1, line 5, remove "date"

Page 1, remove lines 7 through 23

Page 2, remove lines 1 through 30

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 6

Renumber accordingly

2007 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1088

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **HB 1088**

Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **February 27, 2007**

Recorder Job Number: **3940**

Committee Clerk Signature



Business Incentives, agreements, reports

Eric Hardmeyer, President of Bank of ND - In Favor

TESTIMONY #1 *Explains the bill and goes over testimonies (3)*

HB 1088, short bill, it seeks to repeal Century code 60940 which give the Bank of ND the ability to seek reimbursement from the Student Loan Trust Fund for losses incurred from the New Venture Capital Program. That was a program that was authorized in 2001 and allows the bank to equity or debt investments in ND projects. We've been at this now for 3-4 years and we have a much better feel for equity investments and feel that the guarantee to the student loan trust is not necessary. Bank of ND has healthy reserves of 30 million plus, and would feel that we can handle that ourselves. This repeals the guarantee from the Student Loan Trust. Also provided an amendment to bill. Amendment does a couple things: It allows the Bank of ND to invest in ND Venture Capital Entities, namely RAIN funds, and limits that amount to \$200,000 per biennium. Current law does restrict our ability to invest in projects outside of ND, so we're not trying to circumvent that law, but invest in ND RAIN funds and some of their funds, a small percentage, could be invested outside of ND. If there's an ANGEL fund in Minneapolis that has a hot prospect and they run out of capacity in Minneapolis, they may go to the regional network and say, "hey, ND, do you want to do part of

this?" We have committed to 3 ND RAIN funds. One Bismarck, Fargo, and Grand Forks. \$50,000 each. As we've gotten into this, we realize that the language is restrictive in that if there is ANY investments by those ANGEL funds outside of ND, we can't play in that deal. We still want to invest our money in ND. There may be an opportunity to invest a portion of their funds into other regional RAIN funds.

S Klein: We're repealing that section but the amendment needs to have a vehicle to get through this and you realize you need an opportunity to attach this to something and that's where we're at.

S Hacker: How many players does a fund consist of? How big are the funds, is this 5, 25 pulling funds and investing?

Eric H: The RAIN funds?

S Hacker: Yes

Eric H: Each deal is different, but the bottom line is about \$500,000, some as high as 2 million dollars with a one million dollar average. There are multiple players.

S Hacker: You're going to put in \$50,000, and others...

Eric H: We're just repealing the guarantee from the Student Loan Trust on any losses that we made per in the venture capital program. We have incurred a few loses, but don't think it's necessary to go to the Student Loan Trust for the guarantee. We think we can handle it on our own.

S Klein: So instead of capping the Student Loan Trust, as a bad deal, it would stand alone.

Eric H: Yes

S Heitkamp: Core of the bill, tapping the Student Loan Trust, you may not need it, times are good, you got some money, is it wise to take it out, if you did need it, you're paying it back anyway? Having that in there is like an insurance policy isn't it?

Eric H: The potential is there depending on the opportunity for gains, then we would replenish the trust fund.

S Heitkamp: What about tagging on another bill, which is what you're doing into this bill.

That's really not, \$200 K to you on an investment side is like 2 cents to me. I understand all that, and it may be necessary, were there any red flags in this before this session? Because you are going out of state.

Eric H: Where the criticism had come from before in the ND Venture Program when it went out of state. Set up to help ND, we are still investing in ND.

S Heitkamp: Tied to out of state.

Eric H: There may be a small deal or two that they look at outside of ND and invest in. We have been handcuffed in providing a straight up investment unit into their RAIN fund.

S Heitkamp: Did you ever take out of the Student Loan Trust Fund for any of this?

Eric H: No

S Heitkamp: So there's nothing to pay back. So we're just breaking the bond of them used as your insurance policy.?

Eric H: That's correct.

S Klein: You talked about the potential of having \$37,500 invested in the \$10 million fund, that's just the top potential, it could be less, a lot less.

Eric H: Yes.

S Wanzek: It could be a lot less, but aren't we tapping that \$200,000 per biennium?

Eric H: That is the investment into the ND RAIN fund. How they invest their money, their prospectus will tell you that their intent is to invest into ND projects, most of them will invest in 75%.

S Wanzek: So with that cap, the most would be \$50,000? Aren't even the investments, even small ones made outside the state, if you have a gain or a profit in those investments, that money is coming back here anyway, isn't it?

S Klein: The reason the Bank of ND, the banks involved in these ANGEL funds, is...?

Eric H: These ANGEL funds are around the country. They're opportunities for people to invest in little investment funds through local projects. We've heard there is a shortage of Venture capital. The private sector is the one saving the day with Grand Forks, Fargo, Bismarck are coming together in a professional way and expert management to do this in aid of the Venture Capital.

S Klein: Then they're coming to you and asking you to be a participant..

Eric H: Yes

S Heitkamp: In any biennium, the most you're going to be out is \$200 K?

Eric H: Yes

S Heitkamp: Did you offer this amendment in the House?

Eric H: This amendment was offered on another bill, 2224. It had a hearing and apparently Senator Cook had an issue with it and it was taken out.

S Klein: So 2224 was the ANGEL FUND bill?

Eric H: It was the investment tax bill. We are going back on that bill as well, 2224, we're going to attach the same amendment.

S Klein: This is not a rebate or exemption, just a investment by the bank, a small investment of our portfolio going into the fund.

Q? F? O?

CLOSE

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1088 B

Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **February 27, 2007**

Recorder Job Number: **3941 @ 8:44m**

Committee Clerk Signature



Business incentives, agreements, reports:

S Klein: You've heard the discussion, there's an amendment.

S Heitkamp: I'll move the amendment

Second by S Hacker

Roll Call on DO PASS AMENDMENT by Bank of ND – 7-0-0 – Passed

Motion to DO PASS AS AMENDED by S. Heitkamp

Second by S Wanzek

Roll Call on DO PASS AS AMENDED by Bank of ND – 7-0-0 – Passed

Carrier: S Hacker

Date: 2-27-07

Roll Call Vote: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1088

Senate INDUSTRY BUSINESS & LABOR Committee

Check here for Conference Committee

Legislative Council Amendment Number AMMENDMENT

Action Taken DO PASS - BY BOFA

Motion Made By HEITKAMP Seconded By HACKER

Senators	Yes	No	Senators	Yes	No
Chairman Klein, Jerry	✓		Senator Behm, Arthur	✓	
Senator Hacker, Nick VC	✓		Senator Heitkamp, Joel	✓	
Senator Andrist, John	✓		Senator Potter, Tracy	✓	
Senator Wanzek, Terry	✓				

Total Yes 7 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-27-07

Roll Call Vote: 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1088

Senate INDUSTRY BUSINESS & LABOR Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DPAA (ENBOSSED)

Motion Made By HEITKAMP Seconded By WANZEK

Senators	Yes	No	Senators	Yes	No
Chairman Klein, Jerry	✓		Senator Behm, Arthur	✓	
Senator Hacker, Nick VC	✓		Senator Heitkamp, Joel	✓	
Senator Andrist, John	✓		Senator Potter, Tracy	✓	
Senator Wanzek, Terry	✓				

Total Yes 7 No 0

Absent _____

Floor Assignment HACKER

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1088, as engrossed: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1088 was placed on the Sixth order on the calendar.

Page 1, line 1, after the first "to" insert "amend and reenact subdivision c of subsection 4 of section 6-09-15 of the North Dakota Century Code, relating to defining eligible investments with the North Dakota alternative and venture capital investments; and to"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subdivision c of subsection 4 of section 6-09-15 of the North Dakota Century Code is amended and reenacted as follows:

- c. In North Dakota alternative and venture capital investments and early-stage capital funds, including the North Dakota development fund, incorporated, not to exceed ten million dollars, for the purpose of providing funds for investment in North Dakota alternative and venture capital investments and early-stage capital funds. The Bank may invest a maximum of two hundred thousand dollars per biennium in North Dakota-based venture capital entities that make investments in companies located outside North Dakota. The Bank may allow for third-party management of the funds invested under this subdivision if the management is provided by the North Dakota development fund, incorporated, or a third party that is located in the state and that has demonstrated fund management experience."

Renumber accordingly

2007 HOUSE INDUSTRY, BUSINESS AND LABOR

CONFERENCE COMMITTEE

HB 1088

2007 HOUSE STANDING COMMITTEE MINUTES

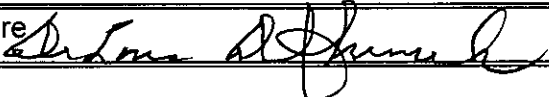
Bill No. HB 1088

House Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: March 28, 2007

Recorder Job Number: 5599

Committee Clerk Signature 

Minutes:

Rep. Dosch opened the hearing on HB 1088. Requested one of the senators explained the amendment.

Attendance: Rep. Dosch, Rep. Dietrich, Rep. Amerman, Senator Hacker, Senator Andrist, Senator Potter.

Senator Hacker: What this amendment deals with is the authority the Bank of North Dakota currently has 10 million dollars in funds for equity investments in industry and business in the state of North Dakota. The bank specifically can not invest in companies if outside of North Dakota. Currently there are (tape stops).

Motion Made By Senator Hacker; Seconded By Rep. Donald Dietrich

Vote: 6 Yes 0 No Recommends that the House Accede to the Senate Amendments on pages 858.

Hearing closed.

