

HOUSE BILL NO. 1448

Introduced by

Representatives Solberg, Brekke, Fairfield, Stefonowicz

Senator Thompson

1 A BILL for an Act to authorize the industrial commission to issue tax-free community
2 development investment bonds for economic development purposes.

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

4 **SECTION 1. Industrial commission may issue tax-free community development**
5 **investment bonds.** The industrial commission, through the Bank of North Dakota may pledge
6 assets of the Bank to issue community development investment bonds that have all the
7 qualities and incidents of negotiable paper and are not subject to taxation by the state or any
8 political subdivision of the state. The industrial commission may determine the denominations,
9 maturity dates, interest rates, and other terms and conditions for the bonds, except that the
10 bonds must bear a reduced rate of interest. Proceeds from the sale of the bonds must be
11 directed by the Bank of North Dakota to local job development authorities or other economic
12 development entities to be used for economic development projects. The purchaser of bonds
13 under this section may designate an authorized job development authority or economic
14 development entity to which the proceeds from the bonds may be directed. The industrial
15 commission shall establish guidelines for the issuance of bonds, including collection of fees and
16 charges, under this Act and establish procedures for investment and distribution of the
17 proceeds of the bond sales. The bonds issued under this Act do not constitute a debt or liability
18 of the state.