

Fifty-sixth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1476

Introduced by

Representatives Dalrymple, Nicholas, Huether

Senators Klein, St. Aubyn, Wanzek

1 A BILL for an Act to amend and reenact section 6-09.13-03 of the North Dakota Century Code,
2 relating to agricultural loans; and to provide an appropriation.

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

4 **SECTION 1. AMENDMENT.** Section 6-09.13-03 of the 1997 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **6-09.13-03. Loans to farmers - Purposes - Eligible uses.**

- 7 1. ~~The Eligible uses for loan moneys received by a farmer under this chapter must be~~
8 ~~used for a farm business.~~ Eligible uses are:
- 9 4. ~~a. Purchase~~ The purchase of real property and equipment.
10 2. ~~b.~~ Expansions.
11 3. ~~c.~~ Working capital.
12 4. ~~d. Purchase~~ The purchase of inventory.
13 ~~e. Investment in initial irrigation projects.~~
14 ~~f. The purchase of equity shares in value-added agricultural enterprises.~~
- 15 2. The moneys cannot be used to refinance any existing debt.

16 **SECTION 2. APPROPRIATION.** There is hereby appropriated, out of any moneys in
17 the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so
18 much of the sum as may be necessary, to the Bank of North Dakota for the purpose of making
19 loans to first-time investors so they may extend or vertically integrate their farm enterprises
20 beyond traditional agriculture, for the biennium beginning July 1, 1999, and ending June 30,
21 2001. The loan proceeds may be used for the purposes set forth in section 1 of this Act or for
22 the purchase, by any farmer, of equity in value-added processing facilities for the purpose of
23 constructing or expanding processing capacity. The Bank of North Dakota shall determine the
24 criteria for loans under this section.

1 **SECTION 3. APPROPRIATION.** There is hereby appropriated out of any moneys in
2 the general fund in the state treasury, not otherwise appropriated, the sum of \$75,000, or so
3 much of the sum as may be necessary, to North Dakota state university for the purpose of
4 developing, in conjunction with the high-value irrigated task force, a strategic plan for irrigation
5 development that includes strategies for financing the purchase of equipment by first-time
6 irrigators, for the biennium beginning July 1, 1999, and ending June 30, 2001.

7 **SECTION 4. APPROPRIATION.** There is hereby appropriated out of any moneys in
8 the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so
9 much of the sum as may be necessary, to the agricultural experiment station for the purpose of
10 studying the development and use of premium standards in the promotion of North Dakota
11 agricultural products, for the biennium beginning July 1, 1999, and ending June 30, 2001. The
12 agricultural experiment station shall seek the participation of agricultural commodity groups in
13 developing premium standards and in optimizing their use.