

HOUSE BILL NO. 1187

Introduced by

Representatives Louser, Boschee, Ertelt, Mock, Pollert, Rohr, Skroch

Senators Heckaman, Klein, Sorvaag, Wardner

1 A BILL for an Act to create and enact section 6-09-46.2 of the North Dakota Century Code,
2 relating to creation of a Bank of North Dakota rebuilders loan program and a rebuilders
3 permanent loan fund; to repeal sections 6-09-46 and 6-09-46.1 of the North Dakota Century
4 Code, relating to a rebuilders loan program, a rebuilders home loan program, and a rebuilders
5 home loan fund; to provide a continuing appropriation; and to provide for a transfer.

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

7 **SECTION 1.** Section 6-09-46.2 of the North Dakota Century Code is created and enacted
8 as follows:

9 **6-09-46.2. Rebuilders loan program - Rebuilders permanent loan fund - Continuing**
10 **appropriation.**

11 1. The Bank of North Dakota shall develop a rebuilders loan program to make or
12 participate in loans to North Dakota residents affected by extraordinary losses as a
13 result of a presidentially declared disaster or governor-declared disaster or emergency
14 in the state. Under the rebuilders loan program the Bank shall develop and implement
15 specific loan programs to respond to the specific needs resulting from a disaster or
16 emergency. The Bank may fund the loan from any available funding in the rebuilders
17 permanent loan fund and may accept private sector donations and funds from the
18 federal government.

19 2. Upon request of the Bank of North Dakota, the governor shall furnish the Bank with
20 information relating to the nature and amount of state and local resources that have
21 been or will be committed to alleviating the results of the disaster or emergency, an
22 estimate of the amount and severity of the damage and the impact on the private and
23 public sectors, and an estimate of the type and amount of assistance needed.

- 1 3. To apply for a loan under the program, a person shall apply to the originating financial
2 institution. Upon Bank of North Dakota approval of an application, the Bank shall make
3 a loan in accordance with the loan program established under this section. The Bank
4 shall establish a loan application period, which may not exceed a period of eighteen
5 months from the date of the declaration of the disaster or emergency.
- 6 4. The Bank of North Dakota may deduct from interest payments received on a loan
7 under the program a service fee for administering the fund for the Bank and the
8 originating financial institution. The Bank shall contract with a certified public
9 accounting firm to audit the fund as necessary. The cost of the audit, and any other
10 actual costs incurred by the Bank on behalf of the fund, must be paid by the fund.
- 11 5. There is created in the state treasury the rebuilders permanent loan fund administered
12 by the Bank of North Dakota. The fund consists of all moneys transferred to the fund
13 by the legislative assembly, interest on moneys in the fund, and payments to the fund
14 of principal and interest on loans made from the fund. All moneys in the fund are
15 appropriated to the Bank on a continuing basis for the rebuilders loan program.
- 16 6. If approved by the industrial commission, the fund may borrow from the Bank of North
17 Dakota to provide funding for loans under this section. A loan made to the fund by the
18 Bank must be repaid with principal and interest payment received by the rebuilders
19 permanent loan fund or with moneys appropriated by the legislative assembly.
- 20 7. The Bank of North Dakota shall adopt policies to implement this section.

21 **SECTION 2. REPEAL.** Sections 6-09-46 and 6-09-46.1 of the North Dakota Century Code
22 are repealed.

23 **SECTION 3. TRANSFER - REBUILDERS PERMANENT LOAN FUND.** Current loans in
24 the rebuilders home loan and rebuilder loan programs are transferred to the rebuilders
25 permanent loan fund administered by the Bank of North Dakota. Principal and interest
26 payments for rebuilders home loans must be used to repay the Bank. Payments on rebuilder
27 loans that are made after the effective date of this Act must be deposited in the rebuilders
28 permanent loan fund. The Bank shall transfer \$30,374,209 in loans made as part of the small
29 employee loan fund established by the industrial commission to provide assistance during the
30 SARS-CoV-2 pandemic to the rebuilders permanent loan program established under this Act.
31 The Bank shall transfer the remaining \$19,625,791, designated under the small employee loan

Sixty-seventh
Legislative Assembly

- 1 fund, or so much as may be required, on an as-needed basis to the rebuilders permanent loan
- 2 fund.