

**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~~Excluding the rebuilders and rebuilders home loans  
7       transferred to the fund, the Bank of North Dakota shall deposit in the fund all principal  
8       and interest paid on the loans made from the fund. The Bank may deduct from interest  
9       payments received on a loan under the program a service fee for administering the  
10       fund for the Bank and the originating financial institution. The Bank shall contract with  
11       a certified public accounting firm to audit the fund as necessary. The cost of the audit,  
12       and any other actual costs incurred by the Bank on behalf of the fund, must be paid by  
13       the fund.
- 14       5. There is created in the state treasury the rebuilders permanent loan fund administered  
15       by the Bank of North Dakota. The fund consists of all moneys transferred to the fund  
16       by the legislative assembly, interest on moneys in the fund, and payments to the fund  
17       of principal and interest on loans made from the fund. All moneys in the fund are  
18       appropriated to the Bank on a continuing basis for the rebuilders loan program.
- 19       6. If approved by the industrial commission, the fund may borrow from the Bank of North  
20       Dakota to provide funding for loans under this section. A loan made to the fund by the  
21       Bank must be repaid with principal and interest payment received by the rebuilders  
22       permanent loan fund or with moneys appropriated by the legislative assembly.
- 23       7. The Bank of North Dakota shall adopt policies to implement this section.

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25       are repealed.

26       **SECTION 3. TRANSFER - REBUILDERS PERMANENT LOAN FUND.** ~~Current loans in-~~  
27       ~~the rebuilders home loan and rebuilder loan programs are transferred to the rebuilders-~~  
28       ~~permanent loan fund administered by the Bank of North Dakota. Principal and interest-~~  
29       ~~payments for rebuilders home loans must be used to repay the Bank. Payments on rebuilder-~~  
30       ~~loans that are made after the effective date of this Act must be deposited in the rebuilders-~~  
31       ~~permanent loan fund.~~On July 1, 2021, the Bank of North Dakota shall transfer any outstanding

1 loans and other moneys in the rebuilders home loan and rebuilder loan programs to the  
2 rebuilders permanent loan fund. Principal and interest payments from the rebuilders and  
3 rebuilders home loans that are transferred to the rebuilders permanent loan fund must be used  
4 to replenish the Bank's current earnings and undivided profits and to repay the state general  
5 fund pursuant to section 3 of chapter 83 of the 2013 Session Laws and subsection 5 of  
6 section 20 of chapter 14 of the 2019 Session Laws. The Bank shall transfer \$30,374,209 in  
7 loans made as part of the small employee loan fund established by the industrial commission to  
8 provide assistance during the SARS-CoV-2 pandemic to the rebuilders permanent loan program  
9 established under this Act. Payments of principal and interest from the small employee loans  
10 that are transferred to the rebuilders permanent loan fund must be deposited in the rebuilders  
11 permanent loan fund. The Bank shall transfer the remaining \$19,625,791, designated under the  
12 small employee loan fund, ~~or so much as may be required, on an as-needed basis~~ to the  
13 rebuilders permanent loan fund in the amounts and at the times determined by the Bank.