

**Sixty-seventh Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 5, 2021**

SENATE BILL NO. 2058  
(Agriculture Committee)  
(At the request of the Bank of North Dakota)

AN ACT to amend and reenact sections 17-03-01 and 17-03-04 of the North Dakota Century Code, relating to the biodiesel partnership in assisting community expansion.

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

**SECTION 1. AMENDMENT.** Section 17-03-01 of the North Dakota Century Code is amended and reenacted as follows:

**17-03-01. Definitions.**

In this chapter, unless the context or subject matter otherwise requires:

1. "Biodiesel production facility" means a producer of a fuel composed of mono-alkyl esters of long chain fatty acids derived from vegetable oil or animal fats that meets American society for testing and materials specification D 6751. The facility must be located in this state.
2. "Biofuel partnership in assisting community expansion fund" or "fund" means a fund established to buy down the interest rate on loans to biodiesel, ethanol, and green diesel production facilities and to livestock value-added operations as provided under this chapter.
3. "Ethanol production facility" means a producer of agriculturally derived denatured ethanol that is suitable for blending with a petroleum product for use in internal combustion engines. The facility must be located in this state.
4. "Green diesel production facility" means a producer of a fuel produced from nonfossil renewable resources, including agricultural or silvicultural plants, animal fats, residue, and waste generated from the production, processing, and marketing of agricultural products, silvicultural products, and other renewable resources, which meets applicable American society for testing and materials specifications. The facility must be located in this state.
5. ~~"Livestock operation" means a livestock feeding, handling, milking, or holding operation located in this state which uses as part of its operation a byproduct produced at a biodiesel or an ethanol production facility.~~ "Value-added operation" includes a producer that engages in dairy and milking or feeding of animals or poultry which enhances the value before sale into the marketplace.

**SECTION 2. AMENDMENT.** Section 17-03-04 of the North Dakota Century Code is amended and reenacted as follows:

**17-03-04. Fund moneys - Eligible uses.**

1. a. The fund moneys may be used to participate in an interest rate buydown on a loan to a biodiesel, ethanol, or green diesel production facility or to a livestock value-added operation for the following eligible uses:
  - (1) Purchase or construction of real property.
  - (2) Expansion of facilities.
  - (3) Purchase or installation of equipment, including a biodigester system.

- b. The loan funds may not be used to refinance any existing debt or for the relocation within this state of the biodiesel, ethanol, or green diesel production facility or the livestockvalue-added operation.
2.
  - a. The maximum amount from the fund in the interest rate buydown for a biodiesel, ethanol, or green diesel production facility may not exceed five hundred thousand dollars to any single biodiesel, ethanol, or green diesel production facility under this chapter.
  - b. Except as provided in subdivision c, the maximum amount from the fund in the interest rate buydown for a livestockvalue-added operation may not exceed two hundred fifty thousand dollars to any single livestockvalue-added operation under this chapter.
  - c. If a livestockvalue-added operation has reached the limit provided for in subdivision b as a result of any activity other than the purchase or installation of a biodigester, that operation is entitled to receive from the fund up to two hundred fifty thousand dollars as an additional interest rate buydown on the operation's purchase or installation of a biodigester system.
3. The fund participation is limited to the amount required to buy down the interest to five hundred basis points below the national prime interest rate.
4. The Bank of North Dakota shall adopt rules to implement this chapter.



  
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President of the Senate

  
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Speaker of the House

  
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Secretary of the Senate

  
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Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-seventh Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2058.

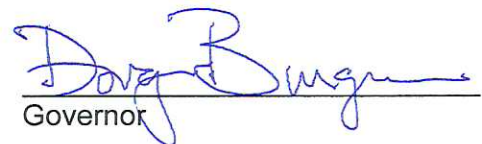
Senate Vote:    Yeas 47                    Nays 0                    Absent 0

House Vote:    Yeas 85                    Nays 6                    Absent 3

  
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Secretary of the Senate

Received by the Governor at 3:25 P.M. on March 24, 2021.

Approved at 5:56 P.M. on March 25, 2021.

  
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Governor

Filed in this office this 26th day of March, 2021,

at 9:38 o'clock A. M.

  
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Secretary of State