



States' Biofuels Statutes

STATE OF NORTH DAKOTA

This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#).

Current through the 2013 Legislative Session of the North Dakota General Assembly.

§ 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 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.

Credits: S.L. 2005, ch. 94, § 1; S.L. 2007, ch. 98, § 2, eff. Aug. 1, 2009. Redesignated from § 6-09.17-01 by S.L. 2007, ch. 204, § 5, eff. July 1, 2007; S.L. 2011, ch. 460, § 1, eff. July 1, 2011.

§ 17-03-02. Biofuel partnership in assisting community expansion fund--Continuing appropriation--Administration

Effective July 1, 2007, the biodiesel partnership in assisting community expansion fund becomes the biofuel partnership in assisting community expansion fund. All moneys transferred into the fund, interest on fund moneys, and payments to the fund are appropriated for the purposes of this chapter. This fund is not subject to section 54-44.1-11. The Bank of North Dakota shall administer the fund. Notwithstanding any other provision of law, the Bank may transfer any unobligated moneys between funds that have been appropriated by the legislative assembly for interest buydown in the biofuel partnership in assisting community expansion fund and the partnership in assisting community expansion fund.

Credits: S.L. 2005, ch. 94, § 1; S.L. 2007, c.14, § 24, eff. July 1, 2007; S.L. 2007, ch. 98, § 3, eff. July 1, 2007. Redesignated from § 6-09.17-02 by L. 2007, ch. 204, § 5, eff. July 1, 2007.

§ 17-03-03. Fund--Purpose--Interest rate buydown

Moneys in the fund must be used for the purpose of buying down the interest rate on loans made by a lead financial institution in participation with the Bank of North Dakota. The Bank of North Dakota's participation may not exceed eighty percent nor be less than fifty percent of the total loans.

Credits: S.L. 2005, ch. 94, § 1; S.L. 2007, ch. 98, § 5, eff. Aug. 1, 2009. Redesignated from § 6-09.17-03 by S.L. 2007, ch. 204, § 5, eff. July 1, 2007.

§ 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 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 livestock 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 livestock operation may not exceed two hundred fifty thousand dollars to any single

livestock operation under this chapter.

c. If a livestock 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.

Credits: S.L. 2005, ch. 94, § 1; S.L. 2007, ch. 98, § 7, eff. Aug. 1, 2009. Redesignated from § 6-09.17-4 by S.L. 2007, ch. 204, § 5, eff. July 1, 2007; S.L. 2009, ch. 187, § 1, eff. Aug. 1, 2009; S.L. 2011, ch. 460, § 2, eff. July 1, 2011.

§ 17-03-05. Partnership in assisting community expansion fund incentive limitation

A biodiesel production facility, ethanol, or green diesel production facility that receives interest buydown from the biofuel partnership in assisting community expansion fund is not eligible to receive interest buydown from the partnership in assisting community expansion fund for the same project during the same biennium.

Credits: S.L. 2007, ch. 14, § 25, eff. July 1, 2007. Redesignated from § 6-09.17-05 by S.L. 2007, ch. 204, § 5, eff. July 1, 2007; S.L. 2011, ch. 460, § 3, eff. July 1, 2011.