

**Sixty-first Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 6, 2009**

SENATE BILL NO. 2225
(Senators Stenehjem, O'Connell)
(Representatives Boucher, Carlson)
(At the request of the Governor)

AN ACT to create and enact a new subsection to section 10-30.5-02 of the North Dakota Century Code, relating to the North Dakota development fund; to amend and reenact subsection 1 of section 6-09.14-01 of the North Dakota Century Code, relating to eligibility under the partnership in assisting community expansion program; to establish a grant program for early childhood facilities; to provide a report to the budget section; to provide an appropriation; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 6-09.14-01 of the North Dakota Century Code is amended and reenacted as follows:

1. "Business" means a corporation, limited liability company, partnership, individual, or association providing child care or involved in manufacturing, processing, value-added processing, and targeted industries as defined by the Bank of North Dakota.

SECTION 2. A new subsection to section 10-30.5-02 of the North Dakota Century Code is created and enacted as follows:

Moneys in the development fund may be used to provide financing to early childhood facilities licensed under chapter 50-11.1. Moneys also may be used to make grants or loans to match grants or loans made by county-authorized or city-authorized development corporations, job development authorities created under chapter 11-11.1 or 40-57.4, and regional planning councils for acquiring, leasing, or remodeling of real estate facilities or for acquiring equipment for establishing or expanding a licensed early childhood facility. In providing financing under this subsection, the corporation shall ensure funds are distributed fairly among for-profit early childhood facilities, nonprofit early childhood facilities, and public early childhood facilities. An award under this subsection may not exceed one hundred thousand dollars per award.

SECTION 3. DEPARTMENT OF COMMERCE - GRANTS FOR EARLY CHILDHOOD FACILITIES.

1. During the biennium beginning July 1, 2009, and ending June 30, 2011, the department of commerce shall establish and implement a grant program to provide matching grants to North Dakota early childhood facilities.
2. A recipient of a grant under this section shall use the grant funds for technical assistance, a business plan, or infrastructure. A grant awarded under this section for infrastructure may not exceed \$5,000 per recipient and a grant awarded under this section for technical assistance or a business plan may not exceed \$10,000 per recipient.
3. To receive a grant under this section, an applicant shall establish the applicant has available \$1 of matching funds for every \$3 of grant funds. The matching funds must be in cash and may come from private or public sources, or from a combination of private and public sources.

4. In making awards under this program, the department shall ensure funds are fairly distributed between for-profit early childhood facilities, nonprofit early childhood facilities, and public early childhood facilities.

SECTION 4. REPORT TO THE BUDGET SECTION. The department of commerce shall report to the budget section during the second quarter of calendar year 2010 on the status of the financing provided to early childhood facilities under section 2 of this Act and the grants to early childhood facilities under section 3 of this Act.

SECTION 5. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,250,000, or so much of the sum as may be necessary, to the department of commerce for deposit in the North Dakota development fund for the purpose of providing financing to early childhood facilities, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 6. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing early childhood facility grants under section 3 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 7. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$70,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of administering sections 2 and 3 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 8. EXPIRATION DATE. Sections 1 and 2 of this Act are effective through July 31, 2011, and after that date are ineffective.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-first Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2225.

Senate Vote: Yeas 46 Nays 1 Absent 0

House Vote: Yeas 69 Nays 21 Absent 4

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2009.

Approved at _____ M. on _____, 2009.

Governor

Filed in this office this _____ day of _____, 2009,

at _____ o'clock _____ M.

Secretary of State