

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

SESSION LAW 2001-338
HOUSE BILL 332

AN ACT TO REVISE THE BUSINESS ENERGY IMPROVEMENT PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. Part 3 of Article 36 of Chapter 143 of the General Statutes reads as rewritten:

"Part 3. ~~Business~~ Energy Improvement Loan Program.

"§ 143-345.16. Short title.

This Part shall be known as the ~~Business~~ Energy Improvement Loan Program.

"§ 143-345.17. Legislative findings and purpose.

The General Assembly finds and declares that it is in the best interest of the citizens of North Carolina to promote and encourage energy efficiency within the ~~State's industrial and commercial base~~ State in order to conserve energy, promote economic competitiveness, and expand employment in the State.

"§ 143-345.18. Lead agency; powers and duties.

(a) For the purposes of this Part, the Department of ~~Administration~~ Administration, State Energy Office, is designated as the lead State agency in matters pertaining to ~~industrial and commercial energy conservation~~ energy efficiency.

(b) The Department shall have the following powers and duties with respect to this Part:

- (1) To provide industrial and commercial concerns doing business in ~~North Carolina~~ North Carolina, local governmental units, and nonprofit organizations operating in North Carolina with information and assistance in undertaking energy conserving capital improvement projects to enhance industrial and commercial capacity efficiency.
- (2) To establish a revolving fund within the Department for the purpose of providing secured loans in amounts not greater than five hundred thousand dollars (\$500,000) per ~~business~~ entity to install energy-efficient capital improvements (i) within businesses or nonprofit organizations located within or translocating to ~~North Carolina~~ North Carolina, and (ii) within local governmental units. In providing these loans, priority shall be given to ~~businesses~~ entities already located in the State.
- (2a) To develop and adopt rules to allow State-regulated financial institutions to provide secured loans to corporate entities, nonprofit organizations, and local governmental units in accordance with terms and criteria established by the Department.
- (3) To work with appropriate State and federal agencies to develop and implement rules and regulations to facilitate this program.

(c) The annual interest rate charged for the use of the funds from the revolving fund established pursuant to subdivision (b)(2) of this section shall be ~~one half of the 90 day rate for United States Treasury Bills, not to exceed five percent (5%) per annum,~~ three percent (3%) per annum, excluding other fees required for loan application review and origination. The term of any loan originated under this section may not be greater than ~~seven~~ 10 years.

(c1) Notwithstanding subsection (c) of this section, the Department shall adopt rules to allow loans to be made from the revolving loan fund and by State-regulated financial institutions at interest rates as low as one percent (1%) per annum for certain energy efficient and conservation projects such as recycling and renewable energy to encourage their development and use.

(d) In accordance with the terms of the Stripper Well Settlement, administrative expenses for activities under this section shall be limited to five percent (5%) of funds appropriated for this purpose.

(e) For purposes of this section:

(1) 'Local governmental unit' means any board or governing body of a political subdivision of the State, including any board of a community college, any school board, or an agency, commission, or authority of a political subdivision of the State.

(2) 'Nonprofit organization' means an organization that is exempt from federal income taxation under section 501(c)(3) of the Internal Revenue Code."

SECTION 2. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 23rd day of July, 2001.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 11:35 a.m. this 3rd day of August, 2001