

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 1389
Committee Substitute Favorable 7/6/09
Committee Substitute #2 Favorable 7/14/09
Fourth Edition Engrossed 7/16/09
PROPOSED SENATE COMMITTEE SUBSTITUTE H1389-PCS30447-TD-75

Short Title: Revolving Loan Fund for Energy Improvements.

(Public)

Sponsors:

Referred to:

April 13, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE CITIES AND COUNTIES TO ESTABLISH LOAN PROGRAMS
3 TO FINANCE THE INSTALLATION OF DISTRIBUTED GENERATION
4 RENEWABLE ENERGY SOURCES OR ENERGY EFFICIENCY IMPROVEMENTS
5 THAT ARE PERMANENTLY AFFIXED TO REAL PROPERTY.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. Chapter 160A of the General Statutes is amended by adding a new
8 section to read:

9 "**§ 160A-459. 1. Revolving loan program for energy improvements.**

10 (a) Purpose. – The General Assembly finds it is in the best interest of the citizens of
11 North Carolina to promote and encourage renewable energy and energy efficiency within the
12 State in order to conserve energy, promote economic competitiveness, and expand employment
13 in the State. In furtherance of this purpose, a city may establish a program to finance the
14 purchase and installation of distributed generation renewable energy sources or energy
15 efficiency improvements that are permanently affixed to residential, commercial, or other real
16 property.

17 (b) Revolving Loan Fund. – A city may establish a revolving loan fund for the purpose
18 of providing loans to finance the purchase and installation of distributed generation renewable
19 energy sources or energy efficiency improvements that are permanently fixed to residential,
20 commercial, or other real property. A city may use Energy Efficiency and Conservation Block
21 Grant Funds and its unrestricted revenue to fund the revolving loan fund. The annual interest
22 rate charged for the use of funds from the revolving fund may not exceed eight percent (8%)
23 per annum, excluding other fees for loan application review and origination. The term of any
24 loan originated under this section may not be greater than 15 years.

25 (c) Definition. – As used in this Article, 'renewable energy source' has the same
26 meaning as 'renewable energy resource' in G.S. 62-133.8."

27 SECTION 2. Chapter 153A of the General Statutes is amended by adding a new
28 section to read:

29 "**§ 153A-455. Revolving loan program for energy improvements.**

30 (a) Purpose. – The General Assembly finds it is in the best interest of the citizens of
31 North Carolina to promote and encourage renewable energy and energy efficiency within the



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1 State in order to conserve energy, promote economic competitiveness, and expand employment
2 in the State. In furtherance of this purpose, a county may establish a program to finance the
3 purchase and installation of distributed generation renewable energy sources or energy
4 efficiency improvements that are permanently affixed to residential, commercial, or other real
5 property.

6 (b) Revolving Loan Fund. – A county may establish a revolving loan fund for the
7 purpose of providing loans to finance the purchase and installation of distributed generation
8 renewable energy sources or energy efficiency improvements that are permanently fixed to
9 residential, commercial, or other real property. A county may use Energy Efficiency and
10 Conservation Block Grant Funds and its unrestricted revenue to fund the revolving loan fund.
11 The annual interest rate charged for the use of funds from the revolving fund may not exceed
12 eight percent (8%) per annum, excluding other fees for loan application review and origination.
13 The term of any loan originated under this section may not be greater than 15 years.

14 (c) Definition. – As used in this Article, 'renewable energy source' has the same
15 meaning as 'renewable energy resource' in G.S. 62-133.8."

16 **SECTION 3.** This act is effective when it becomes law.