

HOUSE BILL NO. 1418

Introduced by

Representatives Disrud, Herbel

Senators Espegard, Thane

1 A BILL for an Act to create and enact a new section to chapter 15-62.1 of the North Dakota
2 Century Code, relating to student loan reductions; and to provide an appropriation.

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

4 **SECTION 1.** A new section to chapter 15-62.1 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Student loan reduction - Application.**

- 7 1. An individual who graduated on or after June 1, 1999, from an institution of higher
8 education may apply to the Bank of North Dakota for a reduction in the total
9 amount owing on the principal and interest of any student loan incurred by the
10 individual provided:
- 11 a. The individual is licensed to teach by the education standards and practices
12 board or approved to teach by the education standards and practices board;
13 and
- 14 b. The individual is employed to teach by an accredited school district or by an
15 accredited nonpublic school in this state.
- 16 2. The Bank of North Dakota shall consider all applications under this section in
17 chronological order.
- 18 3. Twelve months after the date of the application and annually thereafter, if approval
19 is given, the Bank of North Dakota shall make, on the individual's behalf a direct
20 payment to the institution holding the individual's student loan. The annual
21 payment must equal the lesser of the outstanding loan balance or two thousand
22 dollars.
- 23 4. The payments provided for in subsection 3 may not exceed ten thousand dollars
24 on behalf of any one individual.

1 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the
2 general fund in the state treasury, not otherwise appropriated, the sum of \$2,000,000, or so
3 much of the sum as may be necessary, to the Bank of North Dakota for the purpose of student
4 loan principal reductions, for the biennium beginning July 1, 2001, and ending June 30, 2003.