

**SENATE BILL NO. 2100
with House Amendments**

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO. 2100

Introduced by

Senators Holmberg, Grindberg

(At the request of the Bank of North Dakota)

1 A BILL for an Act to amend and reenact section 6-09.15-03 of the North Dakota Century Code,
2 relating to the beginning entrepreneur loan guarantee program by the Bank of North Dakota.

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

4 **SECTION 1. AMENDMENT.** Section 6-09.15-03 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **6-09.15-03. Application for guarantee - Term - Annual fee.** A lender may apply to
7 the Bank of North Dakota for a loan guarantee for a loan of up to one hundred thousand
8 dollars. The Bank may approve a guarantee of a loan of up to five thousand dollars to a
9 beginning entrepreneur for use by the beginning entrepreneur for accounting, legal, and
10 business planning and other consulting or advisory services in planning for the establishment of
11 a qualified revenue-producing enterprise. The Bank may approve a guarantee of a loan of up
12 to twenty-five thousand dollars to a beginning entrepreneur without requiring the beginning
13 entrepreneur to provide collateral for the loan. The term of a loan guarantee may not exceed
14 five years. The Bank may charge a lender an annual fee during the term of a loan guarantee.
15 ~~The Bank may not guarantee more than eight million dollars in loans outstanding under the~~
16 ~~beginning entrepreneur loan guarantee program.~~ Total outstanding guarantees under this
17 program at the time of issuance may not exceed five percent of the Bank's tier one capital as
18 defined by the department of financial institutions.