

office

(Prepare in triplicate)

FISCAL NOTE

Prepared in regard to:

House Bill No. 777

(list bill or resolution and number, if available, or subject

Amentment to: Section 15-62-02 of the 1965 Supplement to the North Dakota

Century Code is hereby amended and reenacted to read as follows:
(list bill or resolution and number)

REQUESTED BY: _____ DATE OF RECEIPT _____ 19____

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed attach a supplementary sheet. Please type.

See Attached Supplement.

Date of preparation: January 27, 1967.

Signed THE BANK OF NORTH DAKOTA
By *Geo. M. Thompson*
Geo. M. Thompson, Manager

Amendment to Section 15-62-02 of the 1965 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

SECTION 1. During the calendar year of 1966 there was a total of 514 loans made in the amount of \$244,000.00. During the same year the sum of \$80,783.24 was collected from students, leaving the net expenditure of \$163,216.76, of this amount \$64,950.00 was transferred from the Reserve for State Scholarship Revolving Fund. This leaves the sum of \$98,266.76 that was transferred from the Revolving Fund.

From the above figures it can be determined that approximately 30% of the amount of new loans was collected from students during the year. Of the other 70% approximately 35% was transferred from the Reserve account and approximately 35% from the Revolving fund. The Revolving Fund consists of principal and interest collected from the students. These notes draw 3 percent interest and the Bank of North Dakota charges only out of pocket expenses for equipment and supplies plus the salaries of one and one-half individuals during the year.

Attached you will also please find a statement of the Scholarship Fund as of December 31, 1966 which shows the amounts of the Student Loan program since its inception- January 1, 1957 to December 31, 1966.

From the above figures it is estimated that not more than \$125,000.00 per year need be reserved to cover the increase of the maximum amount of the loans from \$500. to \$750. as the Reserve for the Scholarship Revolving Fund. It is recommended that an initial \$300,000.00 be appropriated to the State Scholarship Fund so sufficient funds will be available during the 1967-1969 biennium.

If additional information is desired please do not hesitate to call on us.

STATE SCHOLARSHIP REVOLVING FUND

December 31, 1966

Total Amount Loaned to Date	\$ 1,923,560.00
Total Amount Paid on Loans	<u>1,094,944.77</u>

Unpaid Principal of Loans on Hand	\$ 828,615.23
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Interest Collected from July 1, 1957 to January 4, 1965	\$ 92,733.46
Interest Collected from January 4, 1965 to date	<u>42,685.55</u>
	135,419.01
Less Expense from the Beginning of the Program	<u>55,390.10</u>

Net Interest on Hand as per Bank Statement	\$ 80,028.91
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Total Number of Loans Made from July 1, 1957 to date	4069
Total Number of Loans Paid in Full to date	<u>2185</u>

Number of Loans Unpaid as of December 31, 1966	1884
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Expense by Department of Public Instruction for Printing and Equipment, charged to Interest Received on Student Loans,	\$ 6,678.23
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Expense by Bank of North Dakota, charged to Interest Received on Student Loans,	<u>48,711.87</u>
	\$ 55,390.10

Total Loans Outstanding	\$ 828,615.23
Check Book Balance	4,884.77
Reserve Balance	105,105.00
* Transfer of Reserve Funds	<u>61,395.00</u>
	\$ 1,000,000.00

Loan Payments Deposited to Revolving Fund=	\$ 1,094,944.77
Loans Made Out of Revolving Fund	<u>1,090,060.00</u>
	\$ 4,884.77

* Transfer of Funds for the purpose of Federal Fund Matching for National Defense Student Loan Fund under Chapter 68, House Bill No. 831 of the 1965 Laws of North Dakota