

Fifty-fifth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2292

Introduced by

Senators O'Connell, Kelsh, Wanzek

Representatives Nichols, Sandvig, Tollefson

1 A BILL for an Act to provide for the creation of a school district emergency repair and
2 maintenance revolving loan fund; and to provide an appropriation.

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

4 **SECTION 1. School district emergency repair and maintenance revolving loan**
5 **fund - Creation.**

- 6 1. The Bank of North Dakota shall maintain a revolving loan fund for the purpose of
7 loaning funds to school districts needing assistance with the costs of emergency
8 maintenance and repair efforts. All moneys transferred into the fund, interest upon
9 moneys in the fund, and payments to the fund of principal and interest on loans
10 made from the fund are hereby appropriated to the fund on a revolving basis for
11 the purpose of providing loans in accordance with this section.
- 12 2. The Bank of North Dakota shall administer and supervise the revolving loan fund
13 and loans made from the fund. The Bank may deduct a service fee for
14 administering the fund from interest payments received on loans and may charge
15 loan recipients a fee for managing and servicing loans.
- 16 3. A school district seeking a loan from the fund shall apply to the Bank of North
17 Dakota for a loan and, upon approval, the Bank shall make a loan from the fund in
18 accordance with the provisions of this section.
- 19 4. A loan made from the fund may not exceed the sum of five hundred thousand
20 dollars per school district.
- 21 5. A loan made from the fund must bear interest at a rate of five percent per year.
22 The maximum term of a loan made from the fund is twenty-five years.

23 **SECTION 2. APPROPRIATION.** There is hereby appropriated out of any moneys in
24 the general fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or

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- 1 so much of the sum as may be necessary, to the Bank of North Dakota for deposit in the school
- 2 district emergency maintenance and repair revolving loan fund for the purpose of providing
- 3 loans to school districts needing assistance with the costs of emergency repair and
- 4 maintenance, for the biennium beginning July 1, 1997, and ending June 30, 1999.