

Fifty-fifth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Monday, the sixth day of January, one thousand nine hundred and ninety-seven

SENATE BILL NO. 2069
(Appropriations Committee)
(At the request of the Bank of North Dakota)

AN ACT to amend and reenact subdivision e of subsection 1 of section 6-09-15 and section 15-62.1-03 of the North Dakota Century Code, relating to interest provisions in guaranteed student loan agreements.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subdivision e of subsection 1 of section 6-09-15 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- e. That are eligible to be guaranteed under chapter 15-62.1. Loans made pursuant to this subdivision may provide for interest that remains unpaid at the end of any period specified in the loan to be added to the principal amount of the debt and thereafter accumulate interest.

SECTION 2. AMENDMENT. Section 15-62.1-03 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

15-62.1-03. Rates of interest permissible for guaranteed loans. All loans guaranteed by the agency and coinsured by the federal government must bear interest at rates which are no greater than those provided under the federally coinsured loan programs. In the event that the agency guarantees student loans without federal coinsurance pursuant to section 15-62.1-02, ~~such loans must bear interest at rates which are no greater than~~ the interest rate on such loans may not be more than two percentage points above the base participation rate as established by the Bank of North Dakota, plus no more than two percentage points, which is in effect on the date the loan is made. Any prohibition on the capitalization of interest does not apply to loans guaranteed under this chapter. A loan guaranteed under this chapter may provide for interest which remains unpaid at the end of any period specified in the loan to be added to the principal amount of the debt and thereafter accumulate interest.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-fifth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2069.

Senate Vote: Yeas 44 Nays 0 Absent 5

House Vote: Yeas 92 Nays 3 Absent 2

Secretary of the Senate

Received by the Governor at _____ M. on _____, 1997.

Approved at _____ M. on _____, 1997.

Governor

Filed in this office this _____ day of _____, 1997,

at _____ o'clock _____ M.

Secretary of State