

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 dollars.
8 The Bank may approve a guarantee of a loan of up to five thousand dollars to a beginning
9 entrepreneur for use by the beginning entrepreneur for accounting, legal, and business
10 planning and other consulting or advisory services in planning for the establishment of a
11 qualified revenue-producing enterprise. The Bank may approve a guarantee of a loan of up to
12 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 may not exceed five percent of the Bank's tier one capital as defined by the
18 department of financial institutions.