

SENATE BILL NO. 2126

Introduced by

Agriculture Committee

(At the request of the Bank of North Dakota)

1 A BILL for an Act to amend and reenact subsection 1 of section 6-09.9-02, subsection 2 of
2 section 6-09.9-03, subsection 2 of section 6-09.11-03, subsection 4 of section 6-09.11-05, and
3 subsection 1 of section 6-09.11-06 of the North Dakota Century Code, relating to definitions and
4 operating loans for the Family Farm Survival Act and the family farm loan program.

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

6 **SECTION 1. AMENDMENT.** Subsection 1 of section 6-09.9-02 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 1. "Farmer" means a resident of this state who owns or operates an existing farm or
9 ranch operation, and has a debt-to-asset ratio of fifty percent or greater or a net
10 worth of less than ~~three hundred thousand dollars~~ an amount determined by the
11 Bank of North Dakota. The industrial commission may adopt additional eligibility
12 criteria in determining who is a farmer eligible for loans under this chapter.

13 **SECTION 2. AMENDMENT.** Subsection 2 of section 6-09.9-03 of the North Dakota
14 Century Code is amended and reenacted as follows:

15 2. The amount of a participation interest purchased by the Bank under this section
16 may not be greater than sixty-five percent of the loan amount or ~~two hundred fifty~~
17 ~~thousand dollars~~ an amount determined by the Bank, whichever is less. The term
18 of any participation interest purchased under this section may not exceed one year.

19 **SECTION 3. AMENDMENT.** Subsection 2 of section 6-09.11-03 of the North Dakota
20 Century Code is amended and reenacted as follows:

21 2. The amount of a participation interest purchased by the Bank under this section
22 may not be greater than the lesser of ~~two hundred fifty thousand dollars~~ an amount
23 determined by the Bank or ninety percent of the loan amount.

1 **SECTION 4. AMENDMENT.** Subsection 4 of section 6-09.11-05 of the North Dakota
2 Century Code is amended and reenacted as follows:

3 4. The net worth of the applicant does not exceed ~~three hundred thousand dollars~~ an
4 amount determined by the Bank of North Dakota.

5 **SECTION 5. AMENDMENT.** Subsection 1 of section 6-09.11-06 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 1. A loan under this chapter may not be greater than the lesser of ~~two hundred fifty~~
8 ~~thousand dollars~~ an amount determined by the Bank of North Dakota or ninety
9 percent of the appraised value of the security given for the loan, with the actual
10 percentage to be determined by the Bank ~~of North Dakota~~. The Bank may do all
11 things and acts, may require such security, and may establish additional terms and
12 conditions as is determined necessary to purchase a participation interest in a loan
13 under this chapter.