

**FISCAL NOTE**  
**Requested by Legislative Council**  
**12/23/2016**

Revised  
 Amendment to: SB 2130

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

|                       | 2015-2017 Biennium |             | 2017-2019 Biennium |             | 2019-2021 Biennium |             |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|
|                       | General Fund       | Other Funds | General Fund       | Other Funds | General Fund       | Other Funds |
| <b>Revenues</b>       | \$0                | \$0         | \$0                | \$100,000   | \$0                | \$120,000   |
| <b>Expenditures</b>   | \$0                | \$0         | \$0                | \$0         | \$0                | \$0         |
| <b>Appropriations</b> | \$0                | \$0         | \$0                | \$0         | \$0                | \$0         |

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

|                         | 2015-2017 Biennium | 2017-2019 Biennium | 2019-2021 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| <b>Counties</b>         | \$0                | \$0                | \$0                |
| <b>Cities</b>           | \$0                | \$0                | \$0                |
| <b>School Districts</b> | \$0                | \$0                | \$0                |
| <b>Townships</b>        | \$0                | \$0                | \$0                |

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB 2130 clarifies the collection costs and the maximum amount that can be charged to a borrower who defaults on a student loan.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 3 provides an amendment to NDCC further defining collection costs charged to defaulted student loan borrowers held by the ND Guaranty Agency. Collection costs have as a practice been charged to borrowers on defaulted loans where a claim has been paid to the Bank of North Dakota. Estimated revenues will offset a portion of the expenses incurred on defaulted DEAL student loans.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

There is no estimated revenue impact for the 2015-17 biennium.

For the 2017-19 biennium this amount was determined based upon recoveries from prior defaulted student loans. Recoveries are estimated at \$500,000 for this biennium of which 20%, representing the current fee assessment is \$100,000.

For the 2019-21 biennium this amount was determined based upon recoveries from prior defaulted student loans. Recoveries are estimated at \$600,000 for this biennium of which 20%, representing the current fee assessment is \$120,000.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

N/A

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

N/A

**Name:** Wally Erhardt

**Agency:** Bank of North Dakota

**Telephone:** 701.328.5654

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