

**Government and Veterans Affairs-Committee**  
**69<sup>th</sup> Legislative Session**  
**Representative Schauer-Chair**

Chairman Schauer and House GVA Committee,

Please accept this testimony in support of HB 1135.

**Intent of this bill:**

Amend NDCC 37-14 "Veterans Aid Loan" to increase the maximum loan amount.

**Background:**

ND Veterans Aid Loan has existed since 1943 to provide urgent financial aid to returning service members and their surviving spouses.

- Amount: up to \$5,000 loan
- Term: monthly payments for up to 48 months
- Rate: up to 10% (currently at 8%). ½ interest refunded if paid timely.
- Limitations: Cannot be used to consolidate debt or move out of state.

**Need for bill:**

- The national average amount of an unsecured loan in 2024 is \$8,018. Source: Transunion: Q4 2022 Quarterly Credit Industry Insights Report (CIIR). [Personal Loan Statistics: Average Rates And Debt In 2023 – Forbes Advisor](#)
- Inflation rates have increased dramatically in recent years.
- Requests for higher loan amount from veterans has increased.
- Loan amount not enough to cover needs of applicants resulting in fewer loan applications.
- History of loan amount increases.
  - 1943 Established Veterans Aid Commission and \$75,000 Fund. \$300 Loan. **HB 94**
  - 1947 Amend loan to \$500 **HB 97**
  - 1981 increased from \$500 to \$2,000. (34 years) **SB 2271**
  - 2001 increased from \$2,000 to \$5,000. (20 years) **SB 2260**

**Outcome of bill:**

Allowable maximum loan amount will be \$8,000.

**Fiscal note:**

Submitted: \$0

Over \$400,000 in revolving fund available for loans.

Thank you for your consideration.

Lonnie Wangen Commissioner-NDDVA

**PROPOSED CHANGES TO NDCC****37-14-04. Veterans' aid fund - Purpose.**

The purpose of the veterans' aid fund is to make loans to any veteran and to a surviving spouse of a veteran. A qualified applicant may be permitted to receive more than one loan providing the total amount of all loans does not exceed **five eight** thousand dollars.

**37-14-06. Department may provide aid.**

If the department of veterans' affairs is satisfied that an applicant is a veteran or the surviving spouse of a veteran and has not remarried, and that the applicant is a citizen and resident of this state, and that the applicant meets the criteria set forth in rules adopted pursuant to section 37-14-10 regarding qualifications to obtain a loan, the department may loan to the applicant a sum from the veterans' aid fund not to exceed **five eight** thousand dollars. Additional loans may be made to an applicant if the applicant still meets the loan criteria and if the total of all loans does not exceed **five eight** thousand dollars. If an applicant is provided more than one loan, the amounts will be consolidated into one payment.