

HOUSE BILL NO. 1199

Introduced by

Representatives Drovdal, Kempenich

1 A BILL for an Act to create and enact a new chapter to title 15 of the North Dakota Century
2 Code, relating to the creation of a residency incentive loan program.

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

4 **SECTION 1.** A new chapter to title 15 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Residency incentive loan program.**

- 7 1. Any individual who is a resident of this state and a baccalaureate or graduate
8 student at a public or private institution of higher education in this state is eligible to
9 receive a residency incentive loan of two hundred fifty dollars for each semester
10 the individual attends the institution full time. Part-time students are eligible for
11 prorated amounts.
- 12 2. No interest may accrue on the outstanding loan amount until the individual ceases
13 to be enrolled as a student and thereafter, interest accrues at the rate of five
14 percent per annum.
- 15 3. Beginning one year from the date the individual ceases to be enrolled as a student,
16 and each one year anniversary thereafter, five hundred dollars of the total amount
17 repayable by the individual must be forgiven, provided the individual has
18 maintained residency and lived in this state during the year preceding the
19 anniversary date.

20 **Residency incentive loan program - Administration.**

- 21 1. The Bank of North Dakota shall administer the residency incentive loan program.
- 22 2. A student wishing to participate in the residency incentive loan program shall apply
23 to the Bank of North Dakota on forms furnished by the Bank of North Dakota.

- 1 3. To receive forgiveness of any portion of a loan received under the residency
- 2 incentive loan program, a former student shall sign an affidavit that the former
- 3 student has maintained residency and has lived in this state for the period for
- 4 which loan forgiveness is sought.