

SENATE BILL NO. 2349

Introduced by

Senators Nelson, Mathern

Representative Hogan

1 A BILL ~~for an Act to provide an appropriation to the department of commerce for micro-lending-~~
2 ~~services for new Americans.~~ for an Act to create and enact a new section to chapter 6-09 of the
3 North Dakota Century Code, relating to guaranteeing micro loans for new Americans; and to
4 provide an appropriation.

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

6 ~~— **SECTION 1. APPROPRIATION.** There is appropriated out of any moneys in the general-~~
7 ~~fund in the state treasury, not otherwise appropriated, the sum of \$200,000, or so much of the~~
8 ~~sum as may be necessary, to the department of commerce for the purpose of providing grants-~~
9 ~~and other assistance to private, nonprofit organizations that provide micro-lending assistance to~~
10 ~~new Americans, for the biennium beginning July 1, 2013, and ending June 30, 2015.~~

11 **SECTION 1.** A new section to chapter 6-09 of the North Dakota Century Code is created
12 and enacted as follows:

13 **New American micro loan guarantee program.**

14 1. As used in this section, "new American" means an immigrant to the United States of
15 America who has gained citizenship in the United States of America.

16 2. The Bank shall establish a micro loan guarantee program for new Americans. Under
17 this program:

18 a. The Bank shall guarantee the loan of money by an eligible bank, credit union, or
19 savings and loan association to an eligible new American for small business
20 investments. In order to qualify under this section, a loan must be used for
21 working capital, the purchase of inventory or supplies, the purchase of office
22 furniture or fixtures, to launch or expand a small business, or to purchase
23 machinery or equipment. The proceeds from a loan may not be used to purchase
24 real estate.

- 1 b. The Bank may not guarantee more than ninety-five percent of the amount of
2 principal due the lender in the event of default.
- 3 c. A qualified loan may not exceed twenty thousand dollars and must be unsecured.
4 The term of a qualified loan may not exceed six years.
- 5 d. The Bank shall establish requirements that a new American meet training or
6 planning requirements or both before qualifying under this program.
- 7 e. The Bank shall establish interest rates and fees.

8 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general
9 fund in the state treasury, not otherwise appropriated, the sum of \$200,000 or so much of the
10 sum as may be necessary, to the Bank of North Dakota for the purpose of guaranteeing micro
11 loans for new Americans, for the biennium beginning July 1, 2013, and ending June 30, 2015.