



## Legislative Directed Loan Programs School Construction

# Timeline of School Construction Revolving Loan Fund

## 2015 Legislative Session

- Legislature made a decision to offer a low interest revolving loan fund for schools
- Put legislation in place to enable BND to offer the demonstration program utilizing a buydown approach (5% down to 2%)
- In the 2015-2017 Biennium, BND made \$123,000,000 in loans to school districts.

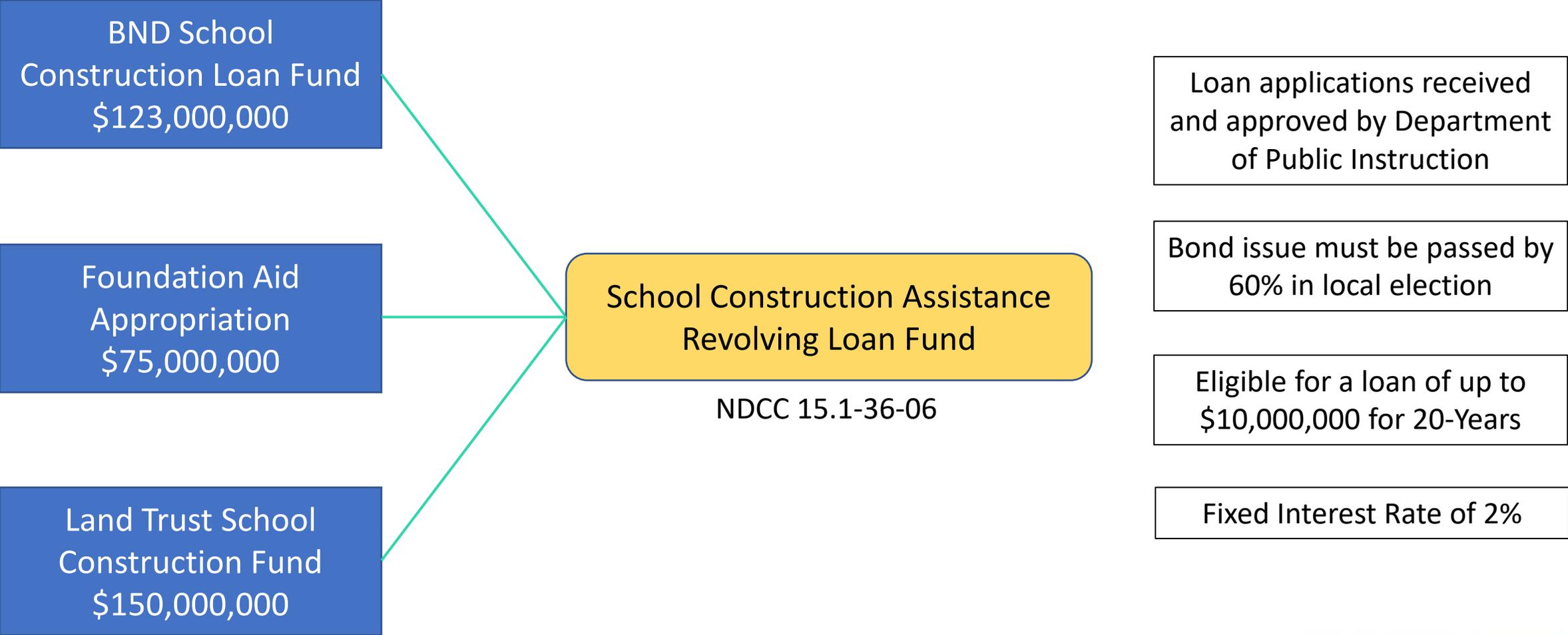


## 2016 Ballot Measure

- Legislature Passed SCR4003 to place a measure on the ballot
- Measure 2 passed in the 2016 general election enabling legislature to access excess revenues in the Foundation Aid Stabilization Fund for education purposes.

# Timeline of School Construction Revolving Loan Fund

## 2017 Became the “Merge” Session



## Current Status of SCARLF—January 2023

Cash Balance		38,498,289.00
Repayments through 6/30/2023		15,393,970.00
Available Funds		53,892,259.00
In Construction Commitments		8,716,425.00
Approved Commitments		30,000,000.00
Pending Applications		10,000,000.00
<b>Current Available</b>		<b>5,175,834.00</b>
2023 - 2025 Repayments		45,000,000.00
<b>Available for New Loans 2023-2025</b>		<b>50,175,834.00</b>

**Total Loans Outstanding: \$311,000,000**

SCALF with \$75 million appropriation from SB 2284  
 Allows for \$85 million of new loans per biennium

	2023	2024	2025	2026	2027	2028	2029	2030
<b>Beginning Cash</b>	\$ 5,175,834.00	\$ 63,929,930.25	\$ 47,710,923.98	\$ 34,031,810.99	\$ 22,905,587.08	\$ 14,345,248.04	\$ 8,363,789.68	\$ 4,974,207.80
<b>Appropriation</b>	\$ 75,000,000.00							
<b>Draws Funded</b>	\$ (40,000,000.00)	\$ (42,500,000.00)	\$ (42,500,000.00)	\$ (42,500,000.00)	\$ (42,500,000.00)	\$ (42,500,000.00)	\$ (42,500,000.00)	\$ (42,500,000.00)
<b>Admin Fee</b>	\$ (1,694,239.22)	\$ (1,766,501.74)	\$ (1,825,768.46)	\$ (1,872,039.38)	\$ (1,905,314.51)	\$ (1,925,593.83)	\$ (1,932,877.35)	\$ (1,927,165.08)
<b>Repayments</b>	\$ 25,448,335.47	\$ 28,047,495.47	\$ 30,646,655.47	\$ 33,245,815.47	\$ 35,844,975.47	\$ 38,444,135.47	\$ 41,043,295.47	\$ 43,642,455.47
<b>Ending Cash</b>	\$ 63,929,930.25	\$ 47,710,923.98	\$ 34,031,810.99	\$ 22,905,587.08	\$ 14,345,248.04	\$ 8,363,789.68	\$ 4,974,207.80	\$ 4,189,498.19
<b>Beginning Loans</b>	\$ 324,296,178.84	\$ 338,847,843.37	\$ 353,300,347.90	\$ 365,153,692.43	\$ 374,407,876.96	\$ 381,062,901.49	\$ 385,118,766.02	\$ 386,575,470.55
<b>Draws Funded</b>	\$ 40,000,000.00	\$ 42,500,000.00	\$ 42,500,000.00	\$ 42,500,000.00	\$ 42,500,000.00	\$ 42,500,000.00	\$ 42,500,000.00	\$ 42,500,000.00
<b>Repayments</b>	\$ (25,448,335.47)	\$ (28,047,495.47)	\$ (30,646,655.47)	\$ (33,245,815.47)	\$ (35,844,975.47)	\$ (38,444,135.47)	\$ (41,043,295.47)	\$ (43,642,455.47)
<b>Ending Loans</b>	\$ 338,847,843.37	\$ 353,300,347.90	\$ 365,153,692.43	\$ 374,407,876.96	\$ 381,062,901.49	\$ 385,118,766.02	\$ 386,575,470.55	\$ 385,433,015.08

# Policy Proposal in SB2284

**SECTION 9. AMENDMENT.** Subsection 5 of section 15.1-36-08 of the North Dakota Century Code is amended and reenacted as follows:

- 1 5. If the superintendent of public instruction approves the loan, the Bank of North Dakota
- 2 shall issue a loan from the school construction assistance revolving loan fund. For a
- 3 loan made under this section:
  - 4 a. ~~The~~ if the school construction project totals less than seventy-five million dollars,
  - 5 the maximum loan amount for which a school district may qualify is ten million
  - 6 dollars. However, if a school district's unobligated general fund balance on the
  - 7 preceding June thirtieth exceeds the limitation under section 15.1-27-35.3, the
  - 8 loan amount under this section may not exceed eighty percent of the project's
  - 9 cost up to a maximum loan amount of eight million dollars;
  - 10 b. If the school construction project totals seventy-five million dollars or more, the
  - 11 maximum loan amount for which a school district may qualify is fifty million
  - 12 dollars. However, if a school district's unobligated general fund balance on the
  - 13 preceding June thirtieth exceeds the limitation under section 15.1-27-35.3, the
  - 14 loan amount under this section may not exceed eighty percent of the project's
  - 15 cost up to a maximum loan amount of forty million dollars;
  - 16 c. The term of the loan is twenty years, unless the board of the school district
  - 17 requests a shorter term in the written loan application; and
  - 18 e.d. The interest rate of the loan may not exceed two percent per year.

School Construction Project Under \$75m remains at \$10m loan limit

School Construction Project Over \$75m increases loan limit to \$50m



# Policy Proposal in SB2284

19        **SECTION 10. TRANSFER - FOUNDATION AID STABILIZATION FUND TO SCHOOL**  
20        **CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND.** The office of management and  
21        budget shall transfer the sum of \$75,000,000 from the foundation aid stabilization fund to the  
22        school construction assistance revolving loan fund during the biennium beginning July 1, 2023,  
23        and ending June 30, 2025.

# Existing School Construction Loans

# School Construction Assistance

January 2023

Name	City	State	Original Note Date	Principal Balance
PARK RIVER AREA SCHOOL DIST #8	PARK RIVER	ND	8/6/2015	\$5,902,983.19
MINTO PUBLIC SCH DISTRICT #20	MINTO	ND	8/7/2015	\$3,536,858.58
KULM PUBLIC SCHOOL DISTRICT #7	KULM	ND	9/15/2015	\$2,698,718.99
WILLISTON BASIN SCHOOL DIST007	WILLISTON	ND	9/25/2015	\$13,634,675.44
NEDROSE SCHOOL DISTRICT #4	MINOT	ND	10/27/2015	\$7,244,605.90
ALEXANDER PUBLIC SCHL DIS NO 2	ALEXANDER	ND	12/15/2015	\$5,674,695.07
GRENORA PUBLIC SCHOOL DIST #99	GRENORA	ND	12/2/2015	\$3,339,911.00
DICKINSON PUBLIC SCHOOL DIS #1	DICKINSON	ND	4/1/2016	\$7,940,734.47
HILLSBORO PUBLIC SCHOOL DIST#9	HILLSBORO	ND	8/11/2016	\$791,417.83
SOUTH HEART SCHOOL DIST 9	SOUTH HEART	ND	9/1/2016	\$5,183,677.98
STRASBURG PUBLIC SCHOOL DIST	STRASBURG	ND	10/12/2016	\$2,086,839.17
BISMARCK PUBLIC SCHOOL DIST	BISMARCK	ND	6/29/2017	\$4,232,096.45
CARRINGTON PUBLIC SCHOOL DIST	CARRINGTON	ND	11/15/2016	\$7,633,382.12
FLASHER PUBLIC SCHOOL DIST #39	FLASHER	ND	12/1/2016	\$3,640,644.50
DIVIDE COUNTY PUB SCHOOL DIST	CROSBY	ND	2/1/2017	\$5,272,800.78

MAPLETON PUBLIC SCHOOL DIST	MAPLETON	ND	2/22/2017	\$3,891,976.85
MOTT REGENT SCHOOL DIST #1	MOTT	ND	3/1/2017	\$4,401,420.77
EDGELEY PUBLIC SCHOOL DIST #3	EDGELEY	ND	5/3/2017	\$2,180,326.76
CENTRAL CASS PUBLIC SCHOOL	CASSELTON	ND	6/30/2017	\$6,501,048.44
HATTON EIELSON DISTRICT 7	HATTON	ND	8/1/2018	\$5,128,962.75
STANLEY PUBLIC SCHOOL DIST #2	STANLEY	ND	6/25/2015	\$3,492,478.53
MANDAN PUBLIC SCHOOL DIST	MANDAN	ND	8/1/2013	\$6,458,616.18
NORTHERN CASS PUB SCHOOL #97	HUNTER	ND	8/1/2013	\$1,035,899.79
WEST FARGO PUB SCHOOL DIST #6	WEST FARGO	ND	6/1/2020	\$9,165,268.46
WEST FARGO PUB SCHOOL DIST #6	WEST FARGO	ND	8/1/2013	\$10,385,149.52
WEST FARGO PUB SCHOOL DIST #6	WEST FARGO	ND	4/1/2014	\$5,704,772.42
RICHLAND PUBLIC SCHOOL DIS #44	COLFAX	ND	8/1/2013	\$2,465,133.61
NEW ENGLAND PUB SCHOOL DIS #9	NEW ENGLAND	ND	8/15/2013	\$641,792.92
NEW ENGLAND PUB SCHOOL DIS #9	NEW ENGLAND	ND	7/1/2019	\$4,941,537.73
SURREY PUBLIC SCHOOL DIST #41	SURREY	ND	8/15/2013	\$555,880.48
TURTLE LAKE-MERCER DIST #72	TURTLE LAKE	ND	11/1/2013	\$1,084,803.99

GRAND FORKS PUB SCHOOL DIST #1	GRAND FORKS	ND	12/2/2013	\$8,950,211.40
WAHPETON PUBLIC SCHOOL DIST#37	WAHPETON	ND	1/22/2014	\$11,483,755.52
GRAFTON PUBLIC SCHOOL DIST #18	GRAFTON	ND	4/1/2014	\$8,419,965.62
BISMARCK PUBLIC SCHOOL DIST	BISMARCK	ND	6/30/2014	\$9,831,385.53
BISMARCK PUBLIC SCHOOL DIST	BISMARCK	ND	9/19/2018	\$8,213,861.28
POWERS LAKE PUB SCHOOL DIST#27	POWERS LAKE	ND	7/1/2014	\$1,254,165.56
MINOT PUBLIC SCHOOL DIST #1	MINOT	ND	11/13/2014	\$12,796,281.06
SOUTH PRAIRIE SCHOOL DIST 70	MINOT	ND	11/14/2014	\$5,577,147.22
TIOGA PUBLIC SCHOOL DIST #15	TIOGA	ND	12/1/2014	\$4,379,255.42
WESTHOPE PUB SCHOOL DIST #17	WESTHOPE	ND	12/1/2014	\$1,963,922.74
MCKENZIE COUNTY SCHOOL DIST #1	WATFORD CITY	ND	1/28/2015	\$4,570,287.48
MCKENZIE COUNTY SCHOOL DIST #1	WATFORD CITY	ND	3/1/2020	\$9,064,775.54
CENTRAL CASS PUBLIC SCHOOL	CASSELTON	ND	12/1/2017	\$7,717,816.35
UNITED PUBLIC SCHOOL DISTRICT	DES LACS	ND	5/15/2018	\$7,998,255.26
EIGHT MILE PUBLIC SCHOOL DIST6	TRENTON	ND	6/1/2018	\$7,305,001.71
NEW ROCKFORD SHEYENNE SCHOOL 2	NEW ROCKFORD	ND	6/1/2018	\$2,646,125.35

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PARSHALL SCHOOL DISTRICT	PARSHALL	ND	8/9/2018	\$4,614,652.01
BOTTINEAU PUBLIC SCHOOL DIST	BOTTINEAU	ND	8/1/2019	\$6,524,286.48
NORTHWOOD SCHOOL DISTRICT #129	NORTHWOOD	ND	8/1/2019	\$5,042,208.14
ENDERLIN AREA PSD #24	ENDERLIN	ND	6/18/2020	\$1,267,858.10
RUGBY PUBLIC SCHOOL DIST. NO 5	RUGBY	ND	7/1/2022	\$1,824,253.96
LARIMORE PSD NO 44	LARIMORE	ND	7/1/2022	\$435,672.72