

Introduced by

Representative Roers Jones

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 workforce forgivable student loan program; to provide an appropriation; to
3 provide for a continuing appropriation; to provide for a report; to provide for a transfer; and to
4 provide an effective date.

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

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

8 **Workforce forgivable student loan program.**

9 The state board of higher education, in collaboration with the Bank of North Dakota, shall
10 administer the workforce forgivable student loan program for the purpose of providing forgivable
11 student loans to individuals who demonstrate financial need and who are enrolled at an
12 institution under the control of the state board of higher education.

13 **Workforce forgivable student loan fund - Continuing appropriation.**

14 There is created in the state treasury the workforce forgivable student loan fund. The fund
15 consists of moneys transferred into the fund by the legislative assembly, matching funds
16 deposited in the fund, interest earned on moneys in the fund, and loan repayments to the fund.
17 Moneys in the fund are appropriated to the Bank of North Dakota on a continuing basis for the
18 purpose of providing forgivable student loans, as authorized by the state board of higher
19 education, for the workforce forgivable student loan program.

20 **Workforce forgivable student loan program - Eligibility.**

21 A workforce forgivable student loan may be distributed to an eligible student who:

- 22 1. Has completed the free application for federal student aid;
23 2. Has an annual family adjusted gross income of less than eighty thousand dollars;
24 3. Has not earned a baccalaureate degree at the time the forgivable loan is awarded;

- 1 4. Is maintaining academic progress in an academic program according to program
- 2 requirements; and
- 3 5. Has met and continues to meet any requirements established in applicable state board
- 4 of higher education policies or procedures.

5 **Workforce forgivable student loan program - Criteria and procedures.**

- 6 1. The workforce forgivable student loan is limited to the actual amount of tuition and
- 7 fees charged by an institution, less any grants or other scholarships received by the
- 8 applicant.
- 9 2. Each workforce forgivable student loan award is for one semester. An award may be
- 10 renewed if the eligible student continues to meet the conditions for eligibility.
- 11 3. A workforce forgivable student loan may be awarded to an eligible student for up to
- 12 sixty credits for the completion of a certificate or associate degree and up to one
- 13 hundred twenty credits for the completion of a baccalaureate degree. The maximum
- 14 credits for which a student is eligible is a total of one hundred twenty credits.
- 15 4. The workforce forgivable student loan must be paid directly to the eligible institution in
- 16 which the student is enrolled.
- 17 5. The state board of higher education shall adopt:
 - 18 a. Criteria governing the application process;
 - 19 b. Criteria governing the determination of financial need; and
 - 20 c. Procedures for providing reports.
- 21 6. The Bank of North Dakota shall adopt procedures for providing fiscal control, fund
- 22 accounting, and reports.

23 **Workforce forgivable student loan program - Repayments - Loan forgiveness.**

- 24 1. Except as provided in this section, a program loan recipient shall repay the loan in
- 25 accordance with the Bank of North Dakota loan agreement.
- 26 2. To be eligible for loan forgiveness, the recipient must:
 - 27 a. Have successfully completed an eligible educational program from an eligible
 - 28 institution of higher education;
 - 29 b. Reside and work in this state; and
 - 30 c. Have met and continue to meet any requirements established in applicable state
 - 31 board of higher education and Bank of North Dakota policies and procedures.

1 3. The Bank shall forgive one-third of an eligible recipient's loan balance under this
2 program for each year the recipient meets eligibility requirements under this section for
3 up to three years.

4 **Workforce forgivable student loan program - Report.**

5 The state board of higher education shall report biennially to the legislative management
6 and to the appropriations committees of the legislative assembly regarding the workforce
7 forgivable student loan program.

8 **SECTION 2. APPROPRIATION - TRANSFER - WORKFORCE FORGIVABLE STUDENT**
9 **LOAN FUND MATCHING FUNDS REQUIREMENT.** There is appropriated out of any moneys in
10 the general fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or
11 so much of the sum as may be necessary, which the office of management and budget shall
12 transfer to the workforce forgivable student loan fund, for the period beginning July 1, 2024, and
13 ending June 30, 2025. The office of management and budget shall transfer one dollar from the
14 general fund for every two dollars received by the Bank of North Dakota from the private sector
15 or other nonstate sources for deposit in the workforce forgivable student loan fund.

16 **SECTION 3. EFFECTIVE DATE.** This Act becomes effective immediately upon its filing with
17 the secretary of state.