

Introduced by

1 A BILL for an Act to provide for forgiveness of certain student loans for students in specified
2 industries.

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

4 **SECTION 1. Student loan forgiveness.** The Bank of North Dakota shall administer a
5 student loan forgiveness program for student loans owned by the Bank of North Dakota or the
6 North Dakota student loan trust.

- 7 1. In order to be eligible for loan forgiveness under this section, a student must have
8 graduated from an eligible postsecondary educational institution in the state, must
9 have legal residency and physically be living in the state, and must be employed in
10 one of the following target industries located in the state in one of the identified
11 classifications as found in the standard industrial classification manual issued by
12 the executive office of the president, federal office of management and budget:
- 13 a. Prepared flour mixes and doughs [standard industrial classification manual
14 2045];
 - 15 b. Frozen bakery products, except bread [standard industrial classification
16 manual 2053];
 - 17 c. Farm machinery and equipment [standard industrial classification manual
18 3523];
 - 19 d. Printed circuit boards [standard industrial classification manual 3672];
 - 20 e. Aircraft parts and auxiliary equipment, not elsewhere classified [standard
21 industrial classification manual 3728];
 - 22 f. Totalizing fluid meters and counting devices [standard industrial classification
23 manual 3824];

- 1 g. Surgical and medical instruments and apparatus [standard industrial
- 2 classification manual 3841];
- 3 h. Shared services (back office) and call centers at higher wage rates - customer
- 4 support centers, client relations centers, financial processing centers,
- 5 technical support centers;
- 6 i. Coating, engraving, and allied services, not elsewhere classified [standard
- 7 industrial classification manual 3479]; and
- 8 j. Computer programming services [standard industrial classification manual
- 9 7371].
- 10 2. Application for loan forgiveness under this section must be made by the student on
- 11 forms provided by the agency which must include student and student-employer
- 12 affidavits attesting to satisfaction of the residency requirements and target industry
- 13 requirements.
- 14 3. Each year the student is employed by a target industry in the state entitles the
- 15 student to forgiveness of one-tenth of the initial unpaid balance of the student loan,
- 16 but the forgiveness amount may not exceed two thousand four hundred dollars per
- 17 year. The forgiveness amount is proportionately reduced if the student is not
- 18 physically living in the state for the entire year or is not employed in a North Dakota
- 19 target industry for an entire year.
- 20 4. A student may qualify for loan forgiveness under this section for no more than five
- 21 years.

NOTE: Implementation of this bill draft would result in a decrease in the money the Bank of North Dakota has available to deposit in the general fund.