

HOUSE BILL NO. 1360

Introduced by

Representatives Haas, Herbel, Horter

Senators Hacker, Wardner

1 A BILL for an Act to amend and reenact section 15-62.1-02 of the North Dakota Century Code,
2 relating to loans for part-time students.

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

4 **SECTION 1. AMENDMENT.** Section 15-62.1-02 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15-62.1-02. Powers and duties of the agency.** The agency has the following powers
7 and duties under this chapter:

- 8 1. To guarantee all loans which satisfy the requirements set forth in title IV, part B, of
9 the Higher Education Act of 1965 [20 U.S.C. 1001 et seq.; Pub. L. 89-329; 79 Stat.
10 1236; Pub. L. 99-498; 100 Stat. 1353; Pub. L. 105-244; 112 Stat. 1581], as
11 amended through December 31, 1998, upon terms, conditions, and application
12 procedures commensurate with the federal Higher Education Act of 1965
13 [20 U.S.C. 1001 et seq.; Pub. L. 89-329; 79 Stat. 1236; Pub. L. 99-498; 100 Stat.
14 1353; Pub. L. 105-244; 112 Stat. 1581], as amended through December 31, 1998,
15 if federal coinsurance of student loans guaranteed by the agency is available. If at
16 any time the agency determines that student loans made under the terms and
17 conditions of federal coinsurance programs are no longer adequately serving the
18 needs of North Dakota students attending postsecondary institutions, or if federal
19 coinsurance is no longer available, the agency shall notify the industrial
20 commission or its designee. Upon approval of the industrial commission or its
21 designee, the agency shall guarantee student loans without federal coinsurance
22 pursuant to rules made by the agency relating to terms for applicant eligibility in
23 accordance with the provisions of this chapter. Students whose loans are
24 guaranteed by the agency must be students who have been accepted for

1 enrollment or are attending eligible postsecondary institutions located within or
2 ~~without~~ outside this state, and whose loans are for the purpose of assisting them in
3 meeting their expenses of postsecondary education. Students who are accepted
4 for enrollment or are attending eligible proprietary or postsecondary institutions of
5 higher education ~~on at least a half-time basis, as determined by the institutions,~~ are
6 eligible to have loans guaranteed by the agency. The agency shall, by rule,
7 establish minimum qualifications for a person to be deemed a part-time student for
8 purposes of this chapter.

9 2. To take, hold, expend, and administer, on behalf of the state from any source any
10 real property, personal property and moneys, or any interest therein, and the
11 income therefrom, either absolutely or in trust, for any purpose of the guarantee
12 loan program; provided, that no guarantee obligation of the agency may be a
13 general obligation of the state of North Dakota, nor may be payable out of any
14 moneys except those made available to the agency under this chapter. Nothing in
15 this chapter may be construed to authorize the agency to borrow funds for any use
16 relating to the administration of the state guarantee loan programs.