

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2230**

Introduced by

Senators Wanzek, Elkin, Klein

Representatives Brandenburg, Headland, Howe

1 A BILL for an Act to amend and reenact section 6-09.7-05 of the North Dakota Century Code,
2 relating to the use of the strategic investment and improvements fund.

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

4 **SECTION 1. AMENDMENT.** Section 6-09.7-05 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **6-09.7-05. Establishment and maintenance of adequate guarantee funds - Use of**
7 **strategic investment and improvements fund.**

8 The Bank of North Dakota shall establish and at all times maintain an adequate guarantee
9 reserve fund in a special account in the Bank. The Bank may request the director of the office of
10 management and budget to transfer funds from the strategic investment and improvements
11 fund created by section 15-08.1-08 to maintain one hundred percent of the guarantee reserve
12 fund balance. Transfers from the strategic investment and improvements fund may not exceed
13 a total of ~~forty~~ one hundred million dollars. Moneys in the guarantee reserve fund are available to
14 reimburse lenders for guaranteed loans in default. The securities in which the moneys in the
15 reserve fund may be invested must meet the same requirements as those authorized for
16 investment under the state investment board. The income from such investments must be made
17 available for the costs of administering the state guarantee loan program and income in excess
18 of that required to pay the cost of administering the program must be deposited in the reserve
19 fund. The amount of reserves for all guaranteed loans must be determined by a formula that will
20 assure, as determined by the Bank, an adequate amount of reserve.