

**Sixtieth Legislative Assembly of North Dakota
In Regular Session Commencing Wednesday, January 3, 2007**

SENATE BILL NO. 2104
(Industry, Business and Labor Committee)
(At the request of the Agriculture Commissioner)

AN ACT to amend and reenact section 6-09-41 of the North Dakota Century Code, relating to loan guarantees for livestock and dairy farming and related equipment and facilities.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-09-41 of the North Dakota Century Code is amended and reenacted as follows:

6-09-41. (Effective through June 30, 2009) Livestock loan guarantee program - Establishment - Rules.

1. The Bank of North Dakota shall establish and administer a ~~livestock~~ loan guarantee program that is designed to expand livestock feeding and dairy farming in this state.
2. Under the program, the Bank may guarantee a loan made by a bank, a credit union, a savings and loan association, or any other lending institution in this state to the owner of a commercial ~~feedlot that backgrounds or feeds cattle to harvest ready weight~~ livestock feeding operation or to the owner of a new or expanding dairy operation. In the event of a default, the Bank shall pay to the lender the amount agreed upon, provided that the amount may not exceed eighty-five percent of the principal due the lender at the time the claim is approved.
3. The Bank shall adopt rules governing additional terms, conditions, and procedures necessary to meet the requirements of this section. ~~The rules must include an administrative fee payable to the Bank and must provide that equity requirements may not exceed fifteen percent.~~

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixtieth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2104.

Senate Vote: Yeas 45 Nays 0 Absent 2

House Vote: Yeas 90 Nays 0 Absent 4

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2007.

Approved at _____ M. on _____, 2007.

Governor

Filed in this office this _____ day of _____, 2007,
at _____ o'clock _____ M.

Secretary of State