

2013 SENATE INDUSTRY, BUSINESS, AND LABOR

SB 2349

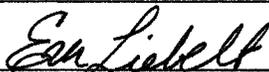
2013 SENATE STANDING COMMITTEE MINUTES

Senate Industry, Business and Labor Committee
Roosevelt Park Room, State Capitol

SB 2349
February 4, 2013
Job Number 18198

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To provide an appropriation to the department of commerce for micro lending services for new Americans

Minutes:

Testimony Attached

Chairman Klein: Opened the hearing.

Senator Nelson: Said she is introducing the bill for the people who live all over the state of North Dakota who are known as new Americans. There has been an influx of people in the last twenty-five years, for a variety of reasons. There are approximately 64 different nationalities living in Fargo. The group that she put this bill in for is a compilation of different countries and they are working to become an economic engine for their people in the community they live in. (1:00-2:35)

Kayla Abtin, Project Representative for the Immigration Development Center: Said that the packets that she handed out were a few things to give them a better idea of what they are trying to present, see attachment (1). They are here to talk about the International Market Plaza, which is the main project they have. They are trying to develop and establish entrepreneurial talents of the new immigrants in the Fargo Moorhead area. (3:05-11:30)

Fowzia Adde, Executive Director of the Immigrant Development Center: Said they are asking to have these funds come from the Department of Commerce and the Department of Commerce would give it to IDC and IDC would disperse it to the entrepreneurs. They are asking for this money because they don't fit into the category for the regular banking. She handed out her business card, see attachment (2). (12:00-17:14)

James Simon, Entrepreneur: Shared his story on his business in Fargo and the difficulties he has had in trying to obtain a loan. (17:48-24:54)

Asha, Entrepreneur: Shared her story of wanting to obtain her CDL and buy a truck. (25:43-26:50)

Paul Govig, North Dakota Department of Commerce: Said they could deliver a program such as this and there are examples across the country. There are other states and other

countries that do micro lending programs for high-risk projects, as was described, the credit history of some of the individuals and the lack of collateral. They could come up with a method to provide the funds to them.

Chairman Klein: Asked if they aren't already in that business.

Paul: Said they are to a certain extent, North Dakota can provide services for business plan development. As far as accessing the micro loans, they have a few options through the Bank of North Dakota and through Commerce but many are limited to United States citizens; some are limited to areas besides Fargo. There are some restrictions; they don't have anything that would be exactly like what they are describing.

Chairman Klein: Asked if he said these loans would be given to non-citizens.

Paul: Said he was assuming some would not have their citizenship yet.

Discussion followed (28-32)

Senator Sinner: Said he has some experience in this arena. Many of them do not have the credit quality to qualify for regular business lending products, nor do they have the equity to move into this area. What he has seen is many of them are working two to three jobs to meet their family needs.

Jeff Olson, Vice President of Advocacy for the Credit Union Association for the Dakotas: They represent 87 financial cooperatives in North and South Dakota and about two hundred thousand credit union members in North Dakota. They are not opposed to the bill but think there is a better idea. There is some language in the bill that isn't spelled out and perhaps the right vehicle for the bill is the Bank of North Dakota. There is an obvious need for micro loans; they have been around since the seventies for a good reason because they work. In the credit union philosophy of people helping people, they do this every day. They give short term loans and low interest rate loans so they can establish credit and get their businesses going. Perhaps the BND can work together with the financial cooperatives and the banks and we could develop a program that is perpetual that we make the investment and it comes back to the taxpayers.

Chairman Klein: Said what I am hearing is you're not opposed, but you see some areas that could be tweaked a bit.

Jeff: Said there might be some concerns about who is going to get these loans. Is the Department of Commerce really set up to do this? The Bank of North Dakota might already be able to do it. There is obviously a need for it.

Discussion followed (34:40-37)

Renee Stromme, The North Dakota Economic Security & Prosperity Alliance: Handed in written testimony but did not speak attachment (3).

Chairman Klein: Adjourned the hearing.

2013 SENATE STANDING COMMITTEE MINUTES

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SB 2349
February 11, 2013
Job Number 18723

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

To provide an appropriation to the department of commerce for micro lending services for new Americans

Minutes:

Amendments and Vote

Chairman Klein: Opened the meeting.

Senator Sinner: Said the amendments were drafted by the credit union group at the request of the sponsors. Attachments: (1) & (2). He explains the amendments (:30-2:34).

Chairman Klein: Asked if the bank was good with this.

Senator Sinner: Said they didn't really want to do this, but with the legislation they will have to do it. We will ask them to do it. It is pretty small, the loans are twenty thousand and we may have ten out at the minimum. Some might be five to ten thousand, so you might have twenty to thirty, but the lenders handle hundreds of loans.

Senator Andrist: Said he isn't comfortable with the ninety- five percent. The local bank should be able to take at least twenty percent.

Senator Sinner: Said those programs are available today through the SBA. The problem is these people; most of them have poor credit history and can't get loans. If you put those kinds of restrictions on it, it will not get used. There is a ninety percent program at the SBA right now for these micro loans, but they are not unsecured. The banks are under very strict credit quality regulations and he doesn't know that this will be used. If you put it at ninety percent we are really just wasting our efforts. Then I think we should just eliminate the legislation all together. If you feel the need to help these people this is the only way it might get done and I am not even sure it will still get done.

Senator Laffen: Commented about getting a loan himself without any credit after college. Are they not being financed because they came from another country or that they have already messed up their credit somewhere in between there?

Senator Sinner: It is an individual case but in most cases credit quality has changed since you borrowed your money twenty or twenty five years ago. This is a whole other situation.

Senator Laffen: Asked how this is different.

Senator Sinner: Said the credit standards are completely different. You have to have a credit score of six- eighty or above.

Senator Laffen: Asked why would that be different for a new American that this program is dedicated to, the same for everybody.

Senator Sinner: Said that the bill says that they will provide unsecure loans, they have no credit.

Discussion continued (7:03-11:48)

Senator Sinner motioned for a do pass on the amendments

Senator Sorvaag seconded the motion.

Roll Call Vote: Yes - 7 No - 0

Discussion continued (12:05-13:58)

Senator Sinner moved a do pass as amended.

Senator Murphy seconded the motion.

Roll Call Vote: Yes - 2 No - 5

Discussion continued (15:00- 16:30)

Senator Unruh motioned a do not pass as amended.

Senator Andrist seconded the motion.

Roll Call Vote: Yes - 5 No - 2

Floor Assignment: Senator Unruh

Senator

February 11, 2013

JS
2-11-13

PROPOSED AMENDMENTS TO SENATE BILL NO. 2349

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to guaranteeing micro loans for new Americans; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 6-09 of the North Dakota Century Code is created and enacted as follows:

New American micro loan guarantee program.

1. As used in this section, "new American" means an immigrant to the United States of America who has gained citizenship in the United States of America.
2. The Bank shall establish a micro loan guarantee program for new Americans. Under this program:
 - a. The Bank shall guarantee the loan of money by an eligible bank, credit union, or savings and loan association to an eligible new American for small business investments. In order to qualify under this section, a loan must be used for working capital, the purchase of inventory or supplies, the purchase of office furniture or fixtures, to launch or expand a small business, or to purchase machinery or equipment. The proceeds from a loan may not be used to purchase real estate.
 - b. The Bank may not guarantee more than ninety-five percent of the amount of principal due the lender in the event of default.
 - c. A qualified loan may not exceed twenty thousand dollars and must be unsecured. The term of a qualified loan may not exceed six years.
 - d. The Bank shall establish requirements that a new American meet training or planning requirements or both before qualifying under this program.
 - e. The Bank shall establish interest rates and fees.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$200,000 or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of guaranteeing micro loans for new Americans, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Renumber accordingly

**2013 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2349**

Senate Industry, Business, and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number 13.0835.01001

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Senator Sinner Seconded By Senator Sorvaag

Senators	Yes	No	Senator	Yes	No
Chariman Klein	x		Senator Murphy	x	
Vice Chairman Laffen	x		Senator Sinner	x	
Senator Andrist	x				
Senator Sorvaag	x				
Senator Unruh	x				

Total (Yes) 7 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

**2013 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2349**

Senate Industry, Business, and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number 13.0835.01001

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Senator Sinner Seconded By Senator Murphy

Senators	Yes	No	Senator	Yes	No
Chairman Klein		x	Senator Murphy	x	
Vice Chairman Laffen		x	Senator Sinner	x	
Senator Andrist		x			
Senator Sorvaag		x			
Senator Unruh		x			

Total (Yes) 2 No 5

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

**2013 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2349**

Senate Industry, Business, and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Senator Unruh Seconded By Senator Andrist

Senators	Yes	No	Senator	Yes	No
Chariman Klein	x		Senator Murphy		x
Vice Chairman Laffen	x		Senator Sinner		x
Senator Andrist	x				
Senator Sorvaag	x				
Senator Unruh	x				

Total (Yes) 5 No 2

Absent 0

Floor Assignment Senator Unruh

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2349: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2349 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to guaranteeing micro loans for new Americans; and to provide an appropriation.

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Renumber accordingly

2013 TESTIMONY

SB 2349



PLANNING AND DEVELOPMENT

200 Third Street North

Fargo, North Dakota 58102

Phone: (701) 241-1474

Fax: (701) 241-1526

E-Mail: planning@cityoffargo.com

www.cityoffargo.com

February 1, 2013

Senator Jerry Klein
Industry, Business and Labor Committee
North Dakota State Senate

Dear Senator Klein,

I am writing in regard to the proposed bill, SB 2349, that would provide funding for Micro-Lending to Low Income Individuals and Underserved populations including Refugee and Immigrant societies.

The proposed bill will allow the Immigrant Development Center to initiate a micro-lending program. The micro-lending program will be the newest program offered to clients who have been working closely on business development with the IDC. It will offer flexible and affordable micro-loans for low-income refugee and immigrant entrepreneurs seeking funding for their businesses. Local entrepreneurs will benefit from the program with increased capacity to sell their goods and services in the mainstream economy.

This Micro-Lending Program will greatly benefit the City of Fargo as a whole by creating new jobs in high growth industries, creating economic and social opportunities in an attractive environment for new immigrants, and providing needed goods and services previously unavailable to the immigrant community in the area.

On behalf of the City of Fargo Planning Department, I would like to offer our support for Senate Bill No. 2349.

Please contact me at 476-4137 or dmayo@cityoffargo.com if you have any questions.

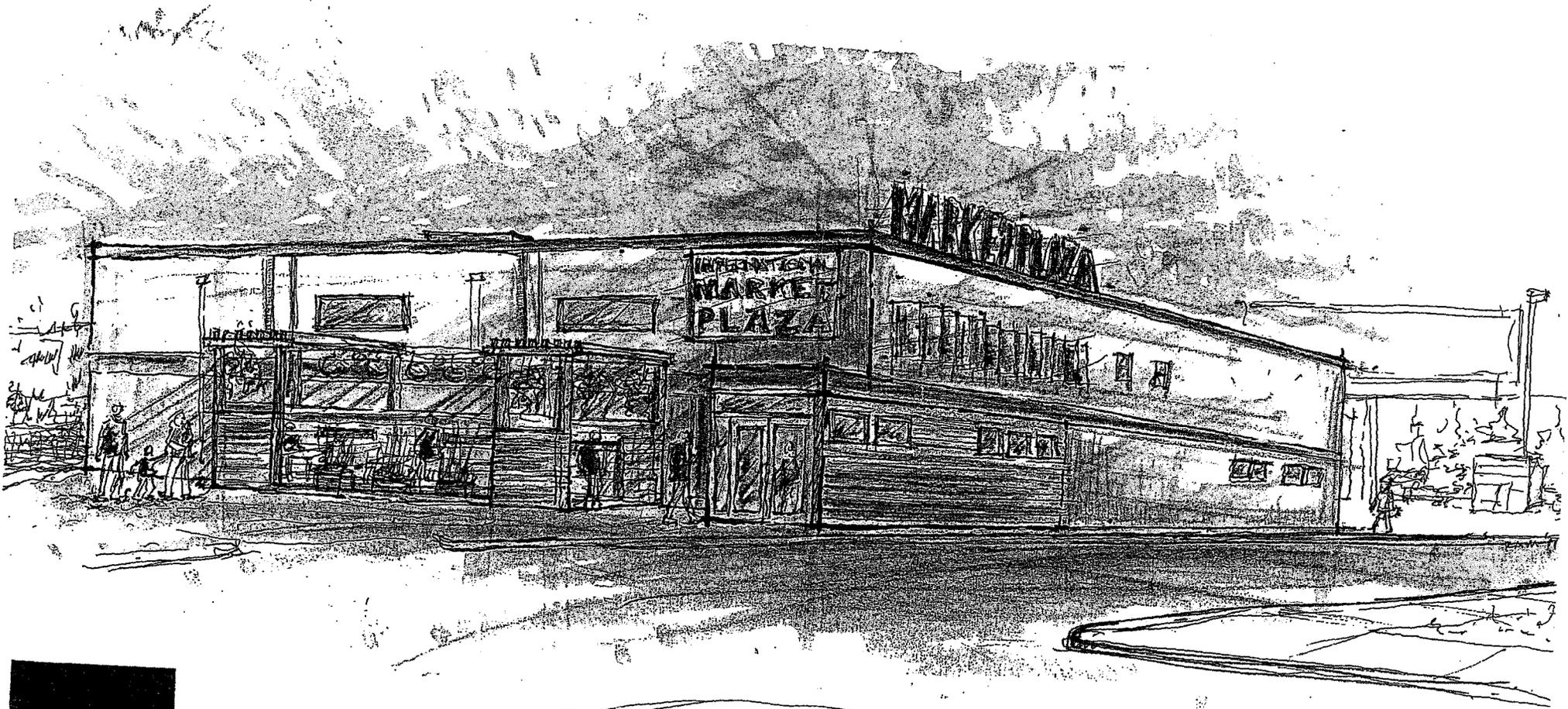
Sincerely,

A handwritten signature in cursive script that reads "Dawn Mayo".

Dawn Mayo
Assistant Planner, Community Development



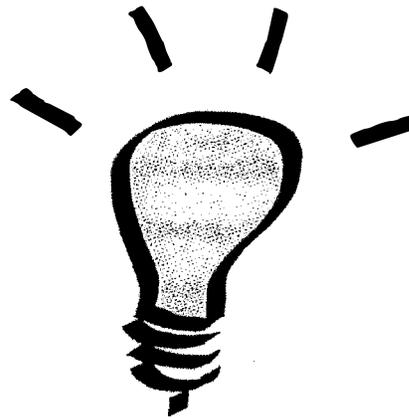
(1)



Immigrant Development Center
INTERNATIONAL MARKET PLAZA
 Fargo, North Dakota

DATE 01-12-12 PROJECT JLG 11131

**COMING
SOON!!**



**CALLING ALL
ENTREPRENEURS!**

START A BUSINESS

**OPPORTUNITIES FOR
LOW-INCOME INDIVIDUALS**

**BUILD BUSINESS &
ECONOMIC SKILLS**

ACCESS FINANCING

**UNDERSTAND DIFFICULT LOAN
PROCESSES & FORMS**

BUILD CREDIT

BECOME SELF-SUFFICIENT

IMPROVE QUALITY OF LIFE

BUSINESS PLAN ASSISTANCE

TECHNICAL ASSISTANCE

SUBSTANTIAL WAGES

**REDUCE USE OF
PUBLIC ASSISTANCE**

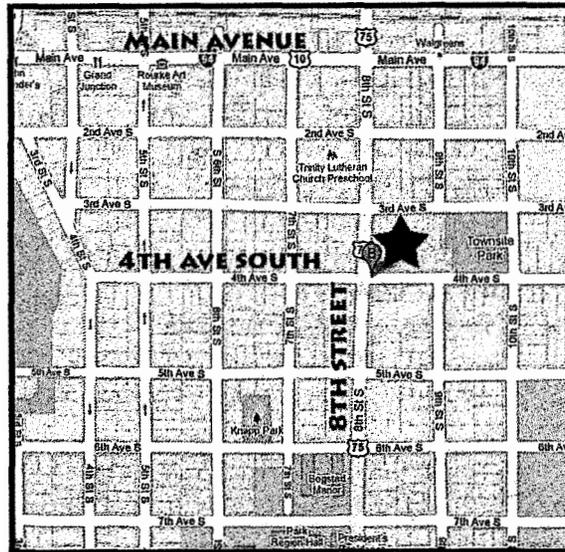




MISSION

TO BUILD CAPACITY OF BUSINESS AND ECONOMIC SKILLS WITHIN THE IMMIGRANT POPULATION, ULTIMATELY LEADING TO ECONOMIC SELF-SUFFICIENCY.

WHERE ARE WE?



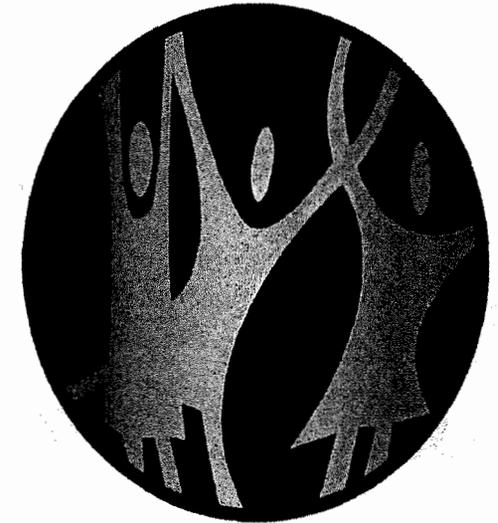
MOORHEAD

IMMIGRANT DEVELOPMENT CENTER

810 4TH AVE. S. PHONE: (218) 284-8020
SUITE 204 FAX: (218) 284-8021
MOORHEAD, MN 56560 WWW.IDCFM.ORG

BECOME A PART OF THE DREAM, **DONATE ONLINE**
THROUGH IMPACTGIVEBACK.ORG OR OUR WEBSITE!

IMMIGRANT DEVELOPMENT CENTER



VISION

TO BRING IMMIGRANTS TOGETHER WHO HAVE A COMMON GOAL IN CARING ABOUT THE WELL-BEING OF OTHERS, AND THEIR ENVIRONMENTAL SURROUNDINGS.

PHILOSOPHY

TO RESTORE BACK THE ENTREPRENEURIAL TALENT AND ENERGY IN THE FARGO-MOORHEAD COMMUNITY.

THIS COMMUNITY IS HOME TO MANY PROMISING ENTREPRENEURS FROM A NUMBER OF DIFFERENT COUNTRIES. OFTEN THEY FACE MANY DAUNTING BARRIERS SUCH AS:

- BUSINESS TRAINING
- FINANCIAL BACKING
- LACK OF CREDIT
- LIMITED ENGLISH AND CULTURAL SKILLS
- UNRECOGNIZED EDUCATION FROM A DIFFERENT COUNTRY



OBJECTIVE

TO BUILD STRONG COMMUNITIES THROUGH BUSINESSES THAT WILL CREATE NEW JOB OPPORTUNITIES.



APPROACH

- CREATE STRONG PARTNERSHIPS THROUGHOUT THE FARGO-MOORHEAD COMMUNITIES
- PROVIDE ONGOING TRAINING AND TECHNICAL ASSISTANCE
- CREATE MICRO-BUSINESS DEVELOPMENT TO BENEFIT NEIGHBORHOOD AND COMMUNITY DEVELOPMENT
- CREATE A PLACE WHERE THE COMMUNITY CAN COME TOGETHER
- CONTINUOUS INVOLVEMENT FOR



PHOTOGRAPHER JON VIDAR: NEED-MAGAZINE/GOOGLE

PROGRAMS

COMMUNITY GARDENING

MANY REFUGEES HAVE AGRARIAN BACKGROUNDS. AS FARMERS IN THEIR HOME COUNTRY, THEY WERE ACCUSTOMED TO GROWING AND SELLING THEIR OWN FOOD. MANY DIFFERENCES EXIST IN THIS CLIMATE FROM THEIR HOME COUNTRY.

THROUGH THIS PROGRAM, THEY ARE ABLE TO PARTICIPATE IN GROWING AND SELLING THEIR OWN PRODUCE AT A LOCAL COMMUNITY GARDEN AND FARMER'S MARKET.

ENTREPRENEURIAL TRAINING

WE ARE ABLE TO CONNECT ENTREPRENEURS WITH THE RESOURCES THEY NEED TO BECOME SUCCESSFUL BUSINESS OWNERS. WE ALSO PROVIDE TRAINING, TOUCHING ON KEY POINTS SUCH AS:

- BUSINESS PLANS
- FINANCIAL DATA
- RESUMES
- SELF-SUFFICIENCY
- MANAGEMENT
- MARKETING/ADVERTISING
- CREDIT ISSUES
- CUSTOMER SERVICE

INTERNATIONAL MARKET PLAZA

57 NEW FULL TIME JOBS FOR LOW-INCOME INDIVIDUALS, ALL UNDER ONE ROOF. ENTREPRENEURS CAN START A BUSINESS IN THE PLAZA AT LOW RENT.

FUTURE MICRO-LENDING PROGRAM

FINANCIAL ASSISTANCE WILL BE MADE AVAILABLE FOR LOW-INCOME ENTREPRENEURS



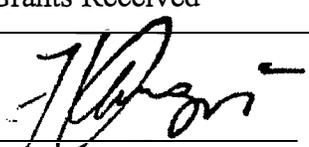
810 4TH AVE. S. SUITE 204
MOORHEAD, MN 56560

To whom so ever it may concern

This letter is to provide the information regarding the grant received by the Immigrant Development Center for the International Market Plaza project for the year 2013. It is supposed that this money will be used to support the renovation activities of the building for the IMP Project. If after the renovations, money is left over, it will be used for the Macro Landing Project for the International Market Plaza.

Details of Grants Received for IMP Project:

Revenue Source	Grant Received (\$ amount)
Bush Foundation	120,000
Otto Bremer Foundation	75,000
NorthWest Area Foundation	80,000
CDFI	100,000
US Bank Foundation	2,000
Evangelical Church	2,500
West Central Initiative	5,000
State Bank & Trust	4,000
Total Grants Received	388,500


Fowzia Adde
Executive Director
Immigrant Development Center



810 4TH AVE. S. SUITE 204
MOORHEAD, MN 56560
(218) 284-8020

To who so ever it may concern

This letter is to provide information regarding the proposed/expected expenses for Immigrant Development center for the International Market Plaza Project for the year 2013. These expenses are expected on top of the expenses incurred for the renovation of the plaza and just include the expenses for the Micro-Landing part of the whole project.

Budget for 2013		
Proposed Expenses	Explanation of Expense	\$ amount
General Operating		
Salaries and Wages	Loan Officer	\$38,000
Accounting Fees	\$250 Month	\$3,000
Office Supplies	\$50 per Month	\$600
Telephone/Fax/Internet	\$50 per month	\$600
Printer Lease	\$110 per month	\$1,320
Rent	\$500 Per Month	\$6,000
Travel Staff	\$200 Per Month	\$2,400
Bank Fees	\$20 per month	\$240
Miscellaneous	\$100 per month	\$1,200
Total General Operation		\$53,360
Micro Landing Pool	Per Year	\$196,640
Net Expenses		\$250,000

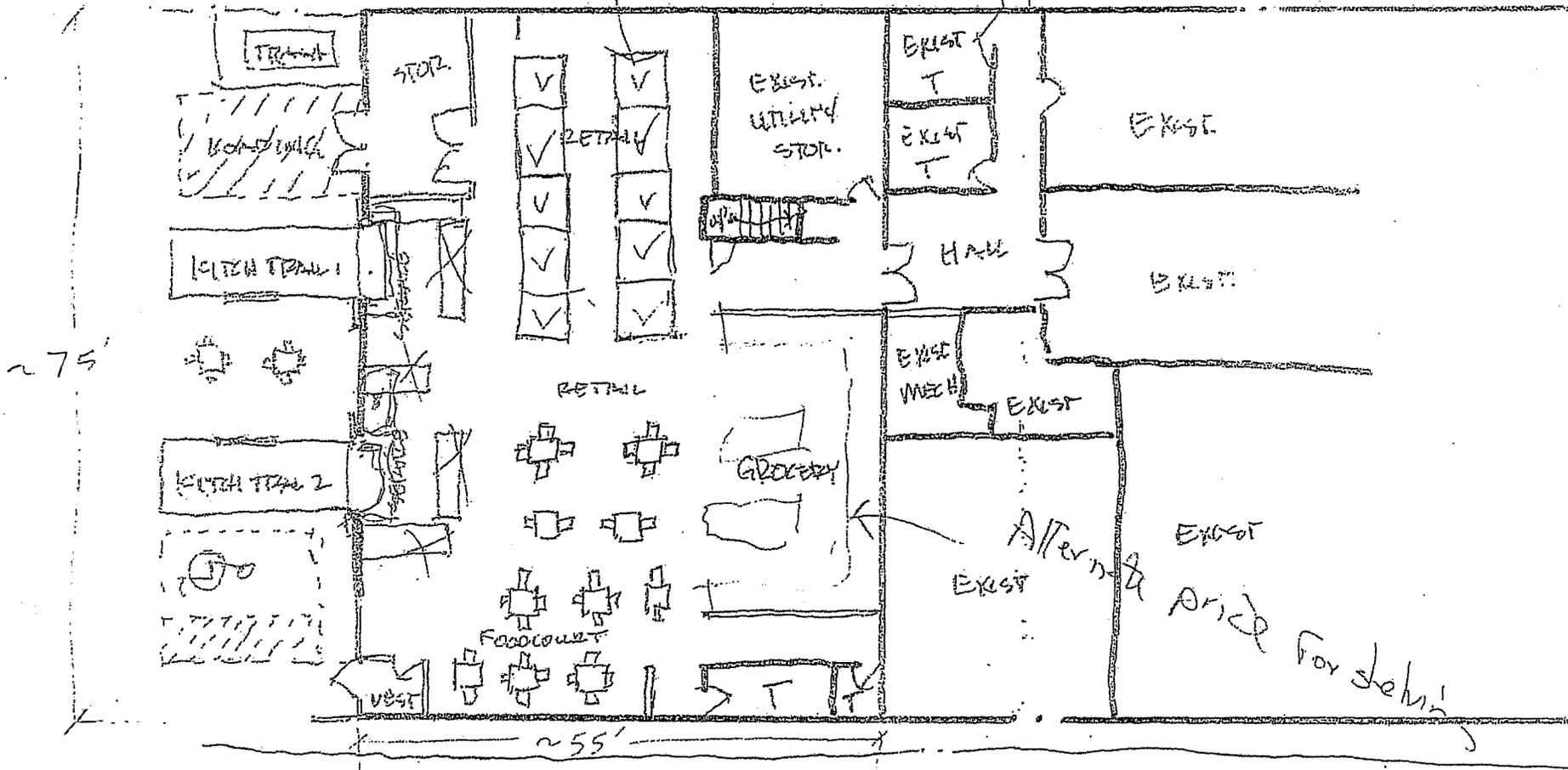


Fowzia Adde
Executive Director
Immigrant Development Center



Floor outlets & Retail

table 2




OPTION C-1 IMP
 1/32" = 1'-0"
 7-31-12

No 2nd Floor work

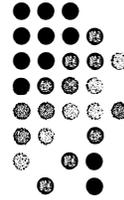
FOWZIA ADDE

Executive Director
Immigrant Development Center



Townsite Center
810 4th Ave. S.
Suite 204
Moorhead, MN 56560

Phone: (218) 284-8020
Cell: (701) 540-2900
Fax: (218) 284-8021
fowzia@idcfm.org



Testimony on Behalf of
The North Dakota Economic Security & Prosperity Alliance (NDESPA)
SB 2349 – Micro Lending
February 4, 2013

Chairman Klein and members of the Senate Industry, Business and Labor Committee, my name is Renee Stromme and I represent the North Dakota Economic Security and Prosperity Alliance, a coalition of people and organizations working to build assets for North Dakotans of low and moderate income through public policy change. NDESPA is pleased to stand in support of Senate Bill 2349.

Micro-loans — the granting of very small loans, mostly to low-income people — is a concept that has been used successfully in the developing world for some time. However, the idea, the need for, and the success of smaller loans for entrepreneurs is gaining support across the country and is giving micro-lending a higher profile and broad appeal for many in the U.S.

North Dakota is in an ideal position to lead this trend and establish a micro-lending program for our new-American population.

Support for micro lending is evidenced by the 2009 federal economic stimulus bill that granted \$54 million to the Small Business Administration for lending and technical assistance to micro-lenders. In addition, some US cities have expanded or introduced their own micro-finance programs. In 2010, micro-loan applications more than doubled across the country.

The need for micro lending is borne out of the need for small loans to those traditionally ineligible for mainstream bank loans. Many banks do not grant business loans of less than \$50,000 because there's not enough profit to balance the risk. By contrast, microfinance programs typically lend \$35,000 or less to small businesses with five or fewer employees. It is not uncommon for a micro-loan to be \$5,000 or less.

Also unlike mainstream banks, micro-lending programs consider additional factors when granting loans other than just an applicant's credit score. Many micro-loan programs require that loan recipients take workshops on money management; marketing and business plans much like North Dakota's IDA programs require financial literacy classes.

Micro-lending programs often have income guidelines in order to target loans to low-income people. Because micro-lending helps low-income people that do not have access



North Dakota Economic Security & Prosperity Alliance
 (NDESPA) Partners
 2013

- North Dakota Women's Network
- North Dakota Council on Abused Women's Services
- North Dakota Disabilities Advocacy Consortium
- North Dakota Head Start Association
- North Dakota Community Action Partnership
- AARP North Dakota
- Catholic Charities of North Dakota
- Family Voices of North Dakota
- American Association of University Women in North Dakota
- North Dakota Chapter of the National Association of Social Workers
- Childcare Resource & Referral
- Mental Health America of North Dakota
- Children's Defense Fund in North Dakota
- North Dakota Public Employees Association
- Prevent Child Abuse of North Dakota

NDESPA works to build and sustain a system of economic security for all North Dakotans through poverty awareness and education, grassroots and community capacity building, research and data development, and promotion of policies and practices to eliminate disparities and obstacles for achieving economic security.

Sixty-third
Legislative Assembly
of North Dakota

SENATE BILL NO. 2349

Introduced by

Senators Nelson, Mathern

Representative Hogan

1 A Bill for an Act to provide an appropriation to the ~~department of commerce~~ Bank of
2 North Dakota for micro lending services for new Americans.

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

4 **SECTION 1. APPROPRIATION.** There is appropriated out of any moneys
5 in the general fund in the state treasury, not otherwise appropriated, the sum of
6 \$200,000, or so much of the sum as may be necessary, to the ~~department of~~
7 ~~commerce~~ Bank of North Dakota for the purpose of providing ~~grants and other~~
8 ~~assistance to private, non-profit organizations that provide~~ guaranteed micro
9 lending assistance to new Americans, for the biennium beginning July 1, 2013, and
10 ending June 30, 2015.

11 **SECTION 2. DEFINITION.** As used in this Chapter, unless the context
12 otherwise requires, "new Americans" means any person who was an immigrant to
13 the United States of America and who has received citizenship in the United States
14 of America.

15 **SECTION 3. LOANS.**

Sixty-second
Legislative Assembly

- 1 1. The Bank of North Dakota will provide a guarantee not to exceed
2 ninety^{five} percent per micro loan to banks and credit unions for the
3 purpose of providing small, short-term, unsecured loans to new
4 Americans for the purpose of small businesses investments to eligible
5 borrowers. The maximum loan amount is \$20,000.
- 6 2. Loans may be used for the following purposes: Working capital;
7 purchase of inventory or supplies; purchase office furniture or fixtures;
8 launch or expand a small business; and for the purchase of machinery
9 or equipment. Proceeds from a microloan cannot be used to purchase
10 real estate.
- 11 3. Recipients of Bank of North Dakota micro loan financing will be
12 required to fulfill training and/or planning requirements as
13 determined by the Bank of North Dakota before the loan application is
14 considered.
- 15 4. Terms, Interest Rates, and Fees: The maximum term allowed for a
16 micro loan is six years. Interest rates and fees will be determined by
17 the Bank of North Dakota.

February 11, 2013

(2)

PROPOSED AMENDMENTS TO SENATE BILL NO. 2349

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 - b. The Bank may not guarantee more than ninety-five percent of the amount of principal due the lender in the event of default.
 - c. A qualified loan may not exceed twenty thousand dollars and must be unsecured. The term of a qualified loan may not exceed six years.
 - d. The Bank shall establish requirements that a new American meet training or planning requirements or both before qualifying under this program.
 - e. The Bank shall establish interest rates and fees.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$200,000 or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of guaranteeing micro loans for new Americans, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Renumber accordingly