

CHAPTER 67-10-02
SCHOOL CONSTRUCTION LOAN APPLICATION AND LOAN APPROVAL - COAL
DEVELOPMENT TRUST FUND

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67-10-02-01. Definitions.

For purposes of this chapter:

1. "Board" means the board of university and school lands.
2. "Department" means the North Dakota department of public instruction.
3. "District" means a North Dakota public school district.
4. "Loan application" means the construction loan application provided by the department.
5. "Project" means a building or facility that a school district is authorized to construct under North Dakota Century Code section 15.1-36-01.
6. "Superintendent" means the North Dakota superintendent of public instruction.

History: Effective January 1, 2018.

General Authority: NDCC 15.1-36-01, 15.1-36-02, 28-32-02

Law Implemented: NDCC 15.1-36-01, 15.1-36-02

67-10-02-02. Loan eligibility.

To be eligible for a loan:

1. The project is approved by the superintendent under North Dakota Century Code section 15.1-36-01.
2. The district has submitted a complete application as required by the superintendent.
3. The district must demonstrate a need based on:
 - a. An unanticipated construction project;
 - b. An unanticipated replacement project; or
 - c. An emergency repair.

History: Effective January 1, 2018.

General Authority: NDCC 15.1-36-01, 15.1-36-02, 28-32-02

Law Implemented: NDCC 15.1-36-02

67-10-02-03. Application form.

The district shall provide the following information to the superintendent on a form provided by the department:

1. Verification of existing indebtedness;
2. A discussion of alternative sources or methods for financing the unanticipated construction, unanticipated replacement, or emergency repair;
3. Past, current, and projected enrollment data;
4. Current bonded indebtedness, debt retirement schedules, and total capital expenditures of the district;
5. Current taxable valuation of the district;
6. Trend data of per-pupil taxable valuation of the district;
7. Current and projected operating expenses of the district;
8. Data on tax levies of the district; and
9. Other data as deemed necessary by the superintendent.

History: Effective January 1, 2018.

General Authority: NDCC 15.1-36-02, 28-32-02

Law Implemented: NDCC 15.1-36-02

67-10-02-04. Order of approval.

Loan applications will be considered in the order of approval of construction projects under North Dakota Century Code section 15.1-36-01.

History: Effective January 1, 2018.

General Authority: NDCC 15.1-36-02, 28-32-02

Law Implemented: NDCC 15.1-36-02

67-10-02-05. Loan approval - Demonstration of need.

To be approved for a loan under this chapter, the district must submit all information requested by the superintendent and submit the application provided by the superintendent.

In order to be approved for a loan under this section, the district must clearly demonstrate and provide narrative, documents, and/or other written evidence that the loan application is necessary to fund:

1. An unanticipated construction project;
2. An unanticipated replacement project; or
3. An emergency repair.

History: Effective January 1, 2018.

General Authority: NDCC 15.1-36-02, 28-32-02

Law Implemented: NDCC 15.1-36-02

67-10-02-06. Loan issuance.

The superintendent shall submit approved loan applications to the board and the board shall issue a loan from the coal development trust fund in the order submitted by the superintendent and terms as provided in subsection 4 of North Dakota Century Code section 15.1-36-02.

1. Minimum loan is two hundred fifty thousand dollars; maximum loan is two million dollars.

2. Term of the loan is twenty years, or less if requested by the district.
3. Interest rate may not exceed two percent per year.

History: Effective January 1, 2018.

General Authority: NDCC 15.1-36-02, 28-32-02

Law Implemented: NDCC 15.1-36-02