



INDUSTRIAL COMMISSION OF NORTH DAKOTA

John Hoeven
Governor

Wayne Stenehjem
Attorney General

Roger Johnson
Agriculture Commissioner

News Release

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For Immediate Release

Bank of North Dakota Lowers Interest Rates on Alternative Loan

BISMARCK - Bank of North Dakota has announced that Dakota Education Alternative Loan (DEAL) borrowers can now choose between a fixed rate of 5.99 percent or a variable rate of 2.96 percent.

“One way to help make college affordable is to provide students with the option of low fixed or variable rates and an opportunity to consolidate their DEAL loans upon graduation,” said Gov. John Hoeven. “BND has reduced the rate on its DEAL loan program to an interest rate that’s lower than the federal student loan rate in order to help our North Dakota students.”

“These same rates are also available to North Dakota residents attending school outside of the state. BND is offering low interest rate loans that make an education affordable,” said Attorney General Wayne Stenehjem.

The current rate set by the Department of Education for Federally issued student loans range from 6 to 8.5 percent depending upon the type of loan. The most frequently awarded federal student loan, the unsubsidized Stafford loan, is currently at a fixed rate of 6.8 percent.

“BND has long offered North Dakota borrowers low interest rates on DEAL loans which are a great source for families to fund education,” said Agriculture Commissioner Roger Johnson. “BND also waives the 2 percent administrative fee for North Dakota residents, making DEAL a zero fee loan.”

“In order to apply for a DEAL loan, borrowers must exhaust their federal aid options by applying through the Free Application for Federal Student Aid (FAFSA),” said BND President Eric Hardmeyer. “Once they are awarded their Stafford Loan, which BND may also assist with, additional funds may be needed to meet expected family contributions and the DEAL loan is their best option.”

The nation’s only state owned bank, BND was established in 1919 to encourage and promote agriculture, commerce and industry in North Dakota. BND has been funding student loans for over 40 years. BND is overseen by the Industrial Commission of North Dakota, consisting of Gov. John Hoeven as Chairman, Attorney General Wayne Stenehjem, and Agriculture Commissioner Roger Johnson.

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FURTHER INFORMATION: Shirley Glass, Associate Director of Student Loan Servicing at 328-5792