

MILLE LACS BAND OF OJIBWE
Discretionary Loan Program
General Guidelines
Revised: March 8, 2013

Effective October 1, 2004, a new discretionary loan program began and is being administered by the Office of Management and Budget (OMB).

- Who is eligible:** Any Mille Lacs Band Member who has reached age twenty (20) and has future per capita payments eligible to be garnished for loan repayment. Also, Band Members eighteen (18) and nineteen (19) years old, who have received their minor trust payment and are currently receiving on-going per capita payments.
Prior to approval of the loan, the OMB will review court orders and inquire of the Band Loan program administrators, to ensure that funds will be available to be withheld from the Band Member's next per capita payment, for repayment of the loan.
If a Band Member has a Band Loan in default they will not qualify for a Discretionary Loan until the Band Loan is paid in full.
- How much:** Maximum loan amount is \$500.00.
- How often:** Beginning March 2013, discretionary loans can be obtained every other month by Band Members if they have per capita funds available for garnishment. However, all prior outstanding discretionary loans must be repaid to at least half before another loan will be granted.
- Loan applications:** **Loan applications must be filled out completely. If you want your Discretionary Loan check mailed to you - you must have your signature notarized on the Promissory Note.**
- Loan purpose:** These loans can be used at the complete discretion of the Mille Lacs Band Member.
- Repayment:** The loan repayment plan has changed effective March 8, 2013. All loan payments must be withheld from Per Capita checks only, OMB will withhold no more than \$175 per month until the loan is paid in full.
- How to qualify:** Submit completed applications with promissory note to OMB. **No** phone applications will be taken. A Band Member must have adequate funds available to pay back the Loan from his/her Per Capita check.
- What's required:** A promissory loan document will be required to be signed, allowing withholding from the next per capita payment, for up to 100% repayment of the loan plus the administrative fee.
- How soon:** These loans will be processed within the regular OMB processing schedule. Loans will be processed two times per week.
- Interest rate:** 0%; however a \$25 administrative fee will be charged on each discretionary loan received.
- Program Funding:** The discretionary loan program was funded by an initial appropriation as approved by the elected officials. Funds from the repayment of the loans, will be credited back to this budget line, providing on-going funding of future loans.