

Furloughed Federal Employee Relief Program



The Furloughed Federal Employee Relief Program assists North Dakota residents who are Department of Homeland Security employees.

It provides funds if they experience financial hardship due to not receiving a paycheck during a lapse in appropriations. Bank of North Dakota (BND) is partnering with local lenders to provide short-term, low-interest loans to eligible borrowers.

Disbursements of the individual's base net pay for up to six months will be provided unless the federal government reinstates pay before that time.

Applications will be accepted from March 19, 2026, until federal pay is reinstated.

How to apply

BND offers this program by partnering with local lenders in North Dakota. Please contact your local lender to initiate the loan application with BND. Local lenders must submit the Furloughed Federal Employee Relief Program (FFERP) application.

Eligibility

All of the following parameters must be met:

- Borrower must be a North Dakota resident who is impacted by a lapse in federal appropriations.
- Borrower must be a Department of Homeland Security employee.
 - Eligibility extends to excepted and non-exempted (furloughed) employees.
- Due to the federal government shutdown, the borrower is not receiving a paycheck.
- Borrower is a current customer of the lead lender and has or will have their federal paycheck directly deposited with the financial institution. The lead lender must have at least one physical location in North Dakota.
- Borrower has not applied for, and will not apply for, any other government shutdown loan programs.

Loan amount/limit

- Loan amount is limited to the equivalent of up to six months' base net pay for the eligible borrower.
- Loan is a non-revolving line of credit structured to allow the borrower to draw funds in multiple advances that align with their regular pay schedule.

Participation requirements

BND will purchase 100% of the loan.

Interest rate and fees

BND Interest Rate: Interest rate will be fixed at 2.00%.

Lead Lender Service Fee: BND will pay a one-time service fee to the lead lender of \$250.00.

Collateral

The loan is unsecured.

Loan terms

- The maximum term is eight months.
- Loan will be structured as a non-revolving/closed-end line of credit with a maximum loan amount equal to six months' base net pay. Borrowers will be eligible for multiple advances that align with their regular pay schedule. Loans will be available and disbursed only as long as the government fails to pay eligible borrowers.
- Although it is strongly encouraged to repay this loan in full when back pay is received, the loan will be structured as follows:
 - Three equal, consecutive monthly installments of principal and interest, amortized over three months. The first payment date will be six months from whichever occurs first: the date of the first missed paycheck for which they are taking an advance or the date of the initial advance.
 - The loan balance will not be reamortized over the repayment period should the full loan amount not be advanced, due to a potential repayment source being the borrower's back pay, when it is received.
 - Payments must be applied to interest first, then principal, and then any outstanding fees.
- Loan will not have a prepayment penalty.
- Loan will not have a default interest rate.
- Promissory note must include "Right of Setoff" verbiage.

Required documentation

- Two most recent paystubs
- Furloughed Federal Employee Relief Program (FFERP) application submitted by a local lender, which must have at least one physical location in North Dakota
- Furloughed Federal Employee Relief Program (FFERP) Loan Agreement, which will be provided to the local lender by BND when request is approved