

Engrossed SB2272

House Education Committee

March 17, 2021

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Chair Owens and members of the House Education Committee, my name is Brenda Zastoupil, and I serve as the Financial Aid Director of the North Dakota University System (NDUS). I am here to provide testimony in support of Engrossed SB2272.

The skilled workforce scholarship and loan repayment programs, known as “ND Career Builders,” was established by the 2019 Legislative Assembly as a workforce development tool to attract and retain talent into high need occupations in the state. It has been a collaborative effort among partners across the state, including higher education, the Bank of ND, business, economic development and the Greater ND Chamber.

The program structure was developed following approval in April 2019. The Workforce Development Council and Job Service ND developed the high need and emerging occupations list in July 2019. Educational programs were mapped to the occupations, procedures implemented, and applications developed by August 2019. A grass-roots awareness campaign from NDUS and partners then began in fall 2019 to inform all public, private and tribal colleges of the program, as well as high school counselors, businesses and ND Job Service. Business and students began to commit to the state program and initial awards were issued in October 2019. The program has continued to grow since then. COVID-19 did have an impact wherein we saw a drop-off of inquiries from March to May 2020.

The engrossed bill contains changes that improve access, eligibility, streamline processes and secures funding for the program. The NDUS is supportive of the amendments.

- **Section 1, Subsections 4-5 and 10(b)**: Specific to loan repayment, the requirement to map qualifying programs to the in-demand occupations is struck. Current law requires that a qualifying loan repayment recipient must have earned a degree, hold qualifying student loans, and be employed and live within the state. Employers already identify hiring criteria, such as qualifying degrees, needed to fill positions.
- **Section 1, Subsection 5(d)**: NDUS operates under “procedures”. This is clean-up language.
- **Section 1, Subsection 7**: Clarifying language added referencing “state” loan forgiveness programs.
- **Section 1, Subsection 8 and Section 2, Subsection 5**: The average scholarship award is around \$5,100 per recipient, while the average loan repayment is \$12,600. The amended language would allow a student to receive a scholarship while in school and then loan repayment after completion, up to the combined maximum of \$17,000. This will further incentivize individuals to seek degrees in in-demand occupations and provides flexibility for donors who may choose to use both programs to recruit an individual.

- **Section 2, Subsection 1:** The ND Dept. of Career and Technical Education Board approves certain programs in the state that lead to certificates that help to fill in-demand occupations; however, current law does not include these among those eligible for ND Career Builders. An example is the Emerging Digital Academy in Fargo.
- **Section 2, Subsection 4:** The focus of the scholarship as developed in 2019, was to direct students to skilled programs of study at the associate’s level and below, or other programs of 4 semesters or 6 quarters in length. Associates programs may extend beyond “4 semesters or 6 quarters” at times, especially with clinicals and internships. Therefore, this change is clean-up language.
- **Section 2, Subsections 6 and 8:** Students must maintain a 2.50 GPA to continue receiving payments under the program, which is unchanged in Engrossed SB2272. However, current law also requires students to begin repaying funds if they fall below a 2.50 cumulative GPA, even if they are still making academic progress in their program and are on track to completion. As a result, students could still be attending college, have a 2.49 GPA, and be required to repay their award. The amendment allows these students to continue to completion without the added burden of repaying scholarship dollars received. Students below a 2.50 GPA would not be able to receive additional scholarship funding, however. Further, the change preserves the collaboration with the private sector donors (potential employers) that have funded 50% of the scholarship for these students, as both state dollars and private sector dollars must be repaid.
- **Section 2, Subsection 9:** Adds language to provide forbearance and/or cancellation under certain conditions.
- **Sections 3 and 4:** Provides some funding to the NDUS to promote and administer the programs. This legislation is about relationship-building, which requires continual and focused outreach to employers, institutions and students. This funding will help in this aspect as the partners continue to collaborate.
- **Section 5:** Provides for a transfer of the remaining balance of the funds to the NDUS to perpetuate the program into the future.

Current statistics for the program, as well as the in-demand list, are attached for your reference. This concludes my testimony in support of Engrossed SB2272, and I will stand for questions from the committee.

Attachment-ND Career Builder Statistics; In-Demand Occupations List

| Program Statistics 3/12/2021 | SCHOLARSHIP | LOAN REPAYMENT |
|--|--|---|
| # of Approved Applicants | 85 | 12 |
| # of Unique Donors | 48 | 9 |
| *Private Sector \$ Received by NDUS (not matched to students) | \$25,000 | \$0 |
| *Private Sector \$ Committed (matched to students) | \$216,345 | \$78,140 |
| *State \$ Committed (matched to students) | \$216,340 | \$78,140 |
| # Graduated & Working in ND | 14 | 12 |
| # on GPA Probation (GPA 2.13 - 2.42) | 6 | n/a |
| # in Repayment/ Amt\$ / Total Recovered | 7 / \$31,636 / \$8,150 | n/a |
| Programs Enrolled (Scholarship) -OR- High-Need and Emerging Occupation Filled (Loan Repayment) | Agriculture (5) Agriculture Industry & Technology (Agronomy) (2) Architectural Drafting & Estimating Technology Auto Body Repair & Refinishing Technology Automotive Technology (3) Building Construction Technology Carpentry (Residential) Construction Management Technology Cyber Security & Computer Networks (4) Diesel Technology (6) Electrical Technology (6) EMS-Paramedic EMT Technology Energy Services and Renewable Technician (2) Farm & Ranch Mgmt / Agribusiness Mgmt (5) Geographic Info System Tech Health Information Technician Heating, Ventilation & AC/HVAC/R Tech (6) Human Resource & Organizational Leadership Instrumentation and Control Technology (4) John Deere Ag Tech Land Surveying & Civil Engineering Technology (3) Lineworker (Electrical) (7) Mechanical Maintenance Technology (3) Medical Assistant Medical Laboratory Technician Pharmacy Technician (3) Plumbing Power Plant Technology (3) Practical Nurse/Nursing (2) Precision Machining Technology Process Plant Technology (2) Surgical Technology Welding / Welding Technology (4) | Bus & Truck Mechanic Carpenter Construction Manager Farm Equipment Mechanic & Service Technician (4) Mechanical Engineer Mobile Heavy Equipment Mechanic Registered Nurse (2) Transportation Engineer |
| Distribution of Applicants | Bismarck State College (43) Dakota College at Bottineau (1) Lake Region State College (3) Lynnes Welding Training (1) North Dakota State College of Science (35) Rasmussen College Fargo (2) | Bismarck (2) Fargo (5) McVille (1) Minot (1) Northwood (1) Rugby (1) West Fargo (1) |

*Private-sector committed dollars are matched with state funds at the point in time an application is approved by the NDUS.

| ND Career Builders Private-Sector Donor (private sector \$ received) | Scholarship or Loan Repayment |
|--|-------------------------------|
| American Bank Center | Scholarship |
| Arthur and Edith Pearson Foundation | Scholarship |
| Brosz Engineering, Inc. | Scholarship |
| Cavalier Do It Best Lumber | Scholarship |
| CHS Foundation | Scholarship |
| Comstock Construction, Inc. | Scholarship |
| Cottingham Insurance | Scholarship |
| Crossroads Repair LLC | Scholarship |
| Dakota Pharmacy | Scholarship |
| Dakota Refrigeration | Scholarship |
| Doosan Bobcat North America | Scholarship |
| Fisher Industries | Scholarship |
| General Equipment & Supplies, Inc. | Loan Repayment |
| General Equipment & Supplies, Inc. | Scholarship |
| Great River Energy | Scholarship |
| H.A. Thompson & Sons | Scholarship |
| Karen Oster-Lloyd Ritchie Memorial | Scholarship |
| Keller Paving & Landscaping, Inc. | Scholarship |
| Korber Medipak Systems NA | Scholarship |
| Kountry Kids 4H | Scholarship |
| Lake Chevrolet Buick GMC | Scholarship |
| LG Homes | Scholarship |
| Marketplace Motors | Scholarship |
| Microsoft | Scholarship |
| Modern Auto Body | Scholarship |
| Mowbray & Son Plumbing and Heating, Inc. | Loan Repayment |
| ND Association of County Engineers | Scholarship |
| ND State Electrical Board | Scholarship |
| Nelson International dba Nelson Leasing, Inc. | Loan Repayment |
| NODAK Electric | Scholarship |
| Otter Tail Power Company Foundation | Scholarship |
| Pro-Mark Services, Inc. | Loan Repayment |
| Rugby Job Development Authority | Loan Repayment |
| Sanford Health-Fargo | Loan Repayment |
| Schmitt's Plumbing, Heating & Sheetmetal, Inc. | Scholarship |
| Scott's Electric | Scholarship |
| Service Tire, Inc. | Scholarship |
| Sheyenne Mechanical | Scholarship |
| Stantec Consulting Services, Inc. | Loan Repayment |
| True North Equipment | Loan Repayment |
| True North Equipment | Scholarship |
| Underwood School | Scholarship |
| West Edge Farms | Scholarship |
| 14 Private-Sector Donors - No Release Provided | Scholarship & Loan Repayment |



EDUCATION

- Elementary & Middle School Teacher
- Preschool Teachers, Except Special Education
- Secondary School Teacher
- Special Education Teacher (K-12)



ENGINEERING AND ARCHITECTURE

- Electrical Engineer
- Electrical & Electronic Engineering Technician
- Engineers
- Mechanical Engineer
- Mining & Geological Engineer
- Petroleum Engineer
- Transportation Engineers



INFORMATION TECHNOLOGY

- Actuaries
- Clinical Data Manager
- Computer Network Support Specialist
- Computer Programmers
- Computer System Analyst
- Computer User Support Specialist
- Database Administrators
- Information Security Analyst
- Intelligence Analysts
- Operations Research Analyst
- Software Developer (Applications)
- Software Developer (Systems)
- Software Quality Assurance Engineer & Tester



FINANCIAL

- Accountant & Auditor
- Compensation & Benefits Manager
- Financial Analyst
- Management Analyst
- Market Research Analyst & Marketing Specialist
- Personal Financial Advisors
- Sales Agent, Securities, Commodities & Financial



HEALTHCARE

- Dental Hygienist
- Diagnostic Medical Sonographer
- Licensed Practical Nurse
- Medical & Clinical Lab Technologist/Technician
- MRI Technologist
- Nurse Assistant
- Physical Therapist Assistant
- Radiologic Technologist
- Registered Nurse
- Substance Abuse & Behavioral Disorder Counselor



PROFESSIONAL/OTHER

Human Resources Specialist
 Training & Development Specialist
 Soil & Plant Scientist



TRANSPORTATION

Bus & Truck Mechanic
 Commercial Pilots
 Heavy & Tractor Trailer Truck Driver



MANAGEMENT

Computer & Information Systems Manager
 Construction Manager
 Financial Manager
 General & Operations Manager
 Marketing Manager
 Medical & Health Services Manager
 Social & Community Services Manager



SKILLED TRADE

Aircraft Mechanics and Service Technicians
 Carpenter
 Construction Building Inspectors
 Electrical Powerline Installer & Repairer
 Electrician
 Environmental Scientist & Specialist
 Farm Equipment Mechanic & Service Technician
 Firefighter
 Gas Plant Operator
 Heating, Ventilation, Air Conditioning Technician
 Industrial Machinery Mechanic
 Maintenance & Repair Worker
 Mobile Heavy Equipment Mechanic
 Petroleum Pump System Operator, Refinery Operator & Gauger
 Plumber, Pipefitter, & Steamfitter
 Welder
 Wind Turbine Technician



SALES

Sales Engineer
 Sales Representative, Technical & Scientific



SOCIAL SERVICES

Child, Family, & School Social Worker
 Childcare Workers
 Police Patrol Officers

The in-demand occupations list was primarily created using long-term employment projections from the North Dakota Labor Market Information Center and supplemented by data from the U.S. Bureau of Labor Statistics. The list is reviewed and updated annually by the Workforce Development Council with assistance from Job Service North Dakota. The list is primarily comprised of occupations that typically require some postsecondary education up to and including a [Bachelor's degree](#). The factors used in creating the list are below:

- Total Employment (2019)
- Ten-year Numeric Job Growth (2016-2026)
- Annualized Job Growth Rate (2016-2026)
- Annual Job Openings (2016-2026)
- Average Annual Wages (2019)
- Essential and Emerging Occupations

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 JSND-8185 (R. 7.2020)