

HOUSE BILL NO. 1452

Introduced by

Representatives Beadle, Hawken, D. Johnson, Looyesen, Maragos, Schreiber Beck

Senators Davison, Wanzek

1 A BILL for an Act to create and enact five new sections to chapter 15-62.2 of the North Dakota
2 Century Code, relating to the establishment of the promise grant program; to repeal sections
3 15.1-21-02.4, 15.1-21-02.5, 15.1-21-02.6, 15.1-21-02.7, and 15.1-21-02.8 of the North Dakota
4 Century Code, relating to the North Dakota academic scholarships and the North Dakota career
5 and technical education scholarships; to provide a transfer; to provide an effective date; and to
6 provide an expiration date.

7 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

8 **SECTION 1.** A new section to chapter 15-62.2 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Promise grant - Eligibility.**

11 A student is eligible for a promise grant if the student:

- 12 1. Is a resident of this state and has been a resident of this state continuously since the
13 school year in which the student enrolled in the ninth grade;
- 14 2. Graduated during or after the 2016-17 school year from an approved high school in
15 this state or from an approved high school in another state under the provisions of
16 chapter 15.1-29;
- 17 3. Completed the requirements set forth in subsections 1 through 9 of section
18 15.1-21-02.4 or subsections 1 through 10 of section 15.1-21-02.5, as those sections
19 existed on June 30, 2015;
- 20 4. Submitted an application for a promise grant as required by the state board of higher
21 education; and
- 22 5. Attends an accredited institution of higher education in this state, as a full-time
23 student, beginning no earlier than the 2017-18 academic year; and

- 1 a. Is enrolled in a two-year, three-year, or four-year program of study that will lead to
2 a certificate, diploma, or degree; and
3 b. Maintains a 3.0 cumulative grade point average.

4 **SECTION 2.** A new section to chapter 15-62.2 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Promise grant - Amount payable.**

- 7 1. a. Beginning with the 2017-18 academic year, if a student who is eligible for a
8 promise grant enrolls at an institution of higher education under the control of the
9 state board of higher education, the student is entitled to receive a promise grant
10 in the amount of sixty-five percent of the tuition charged at the student's
11 institution, for the first year of enrollment. For the next three years of enrollment,
12 the amount of the promise grant provided to the student must increase in
13 accordance with the consumer price index.
14 b. Beginning with the 2017-18 academic year, if a student who is eligible for a
15 promise grant enrolls at a private institution of higher education, the student is
16 entitled to receive a promise grant in the amount of sixty-five percent of the
17 statewide average tuition charged at institutions of higher education under the
18 control of the state board of higher education. For the next three years of
19 enrollment, the amount of the promise grant provided to the student must
20 increase in accordance with the consumer price index.
21 2. a. Beginning with the 2018-19 academic year, if a student who is eligible for a
22 promise grant enrolls at an institution of higher education under the control of the
23 state board of higher education, the student is entitled to receive a promise grant
24 in the amount of seventy percent of the tuition charged at the student's institution,
25 for the first year of enrollment. For the next three years of enrollment, the amount
26 of the promise grant provided to the student must increase in accordance with
27 the consumer price index.
28 b. Beginning with the 2018-19 academic year, if a student who is eligible for a
29 promise grant enrolls at a private institution of higher education, the student is
30 entitled to receive a promise grant in the amount of seventy percent of the
31 statewide average tuition charged at institutions of higher education under the

1 control of the state board of higher education. For the next three years of
2 enrollment, the amount of the promise grant provided to the student must
3 increase in accordance with the consumer price index.

4 3. a. Beginning with the 2019-20 academic year, if a student who is eligible for a
5 promise grant enrolls at an institution of higher education under the control of the
6 state board of higher education, the student is entitled to receive a promise grant
7 in the amount of seventy-five percent of the tuition charged at the student's
8 institution, for the first year of enrollment. For the next three years of enrollment,
9 the amount of the promise grant provided to the student must increase in
10 accordance with the consumer price index.

11 b. Beginning with the 2019-20 academic year, if a student who is eligible for a
12 promise grant enrolls at a private institution of higher education, the student is
13 entitled to receive a promise grant in the amount of seventy-five percent of the
14 statewide average tuition charged at institutions of higher education under the
15 control of the state board of higher education. For the next three years of
16 enrollment, the amount of the promise grant provided to the student must
17 increase in accordance with the consumer price index.

18 4. a. Beginning with the 2020-21 academic year, if a student who is eligible for a
19 promise grant enrolls at an institution of higher education under the control of the
20 state board of higher education, the student is entitled to receive a promise grant
21 in the amount of eighty percent of the tuition charged at the student's institution,
22 for the first year of enrollment. For the next three years of enrollment, the amount
23 of the promise grant provided to the student must increase in accordance with
24 the consumer price index.

25 b. Beginning with the 2020-21 academic year, if a student who is eligible for a
26 promise grant enrolls at a private institution of higher education, the student is
27 entitled to receive a promise grant in the amount of eighty percent of the
28 statewide average tuition charged at institutions of higher education under the
29 control of the state board of higher education. For the next three years of
30 enrollment, the amount of the promise grant provided to the student must
31 increase in accordance with the consumer price index.

- 1 5. a. Beginning with the 2021-22 academic year, if a student who is eligible for a
2 promise grant enrolls at an institution of higher education under the control of the
3 state board of higher education, the student is entitled to receive a promise grant
4 in the amount of eighty-five percent of the tuition charged at the student's
5 institution, for the first year of enrollment. For the next three years of enrollment,
6 the amount of the promise grant provided to the student must increase in
7 accordance with the consumer price index.
- 8 b. Beginning with the 2021-22 academic year, if a student who is eligible for a
9 promise grant enrolls at a private institution of higher education, the student is
10 entitled to receive a promise grant in the amount of eighty-five percent of the
11 statewide average tuition charged at institutions of higher education under the
12 control of the state board of higher education. For the next three years of
13 enrollment, the amount of the promise grant provided to the student must
14 increase in accordance with the consumer price index.
- 15 6. a. Beginning with the 2022-23 academic year, if a student who is eligible for a
16 promise grant enrolls at an institution of higher education under the control of the
17 state board of higher education, the student is entitled to receive a promise grant
18 in the amount of ninety percent of the tuition charged at the student's institution,
19 for the first year of enrollment. For the next three years of enrollment, the amount
20 of the promise grant provided to the student must increase in accordance with
21 the consumer price index.
- 22 b. Beginning with the 2022-23 academic year, if a student who is eligible for a
23 promise grant enrolls at a private institution of higher education, the student is
24 entitled to receive a promise grant in the amount of ninety percent of the
25 statewide average tuition charged at institutions of higher education under the
26 control of the state board of higher education. For the next three years of
27 enrollment, the amount of the promise grant provided to the student must
28 increase in accordance with the consumer price index.
- 29 7. a. Beginning with the 2023-24 academic year, if a student who is eligible for a
30 promise grant enrolls at an institution of higher education under the control of the
31 state board of higher education, the student is entitled to receive a promise grant

1 in the amount equaling the tuition charged at the student's institution, for the first
2 year of enrollment. For the next three years of enrollment, the amount of the
3 promise grant provided to the student must increase in accordance with the
4 consumer price index.

5 b. Beginning with the 2023-24 academic year, if a student who is eligible for a
6 promise grant enrolls at a private institution of higher education, the student is
7 entitled to receive a promise grant in the amount equaling the statewide average
8 tuition charged at institutions of higher education under the control of the state
9 board of higher education, for the first year of enrollment. For the next three
10 years of enrollment, the amount of the promise grant provided to the student
11 must increase in accordance with the consumer price index.

12 **SECTION 3.** A new section to chapter 15-62.2 of the North Dakota Century Code is created
13 and enacted as follows:

14 **Promise grant - Credited to student's account.**

- 15 1. The promise grant is payable by the state board of higher education to an accredited
16 institution in which the student is enrolled, during each year the student is
17 consecutively enrolled, until the student completes the requirements for a certificate,
18 diploma, or degree.
- 19 2. The grant must be credited toward any tuition charges due and payable by the
20 student, after accounting for all other nonrepayable grants and scholarships, which
21 reduce the amount of any tuition owed by the student. If the grant exceeds the amount
22 owed by the student, the excess amount must be returned to the program and the
23 student has no further right to the funds.
- 24 3. A student may not receive a grant under this Act for more than four consecutive years.
- 25 4. No promise grants are payable after the 2032-33 academic year.

26 **SECTION 4.** A new section to chapter 15-62.2 of the North Dakota Century Code is created
27 and enacted as follows:

28 **Annual report.**

29 The state board of higher education shall provide an annual report regarding the promise
30 grant program to an interim committee designated by the legislative management. The

1 superintendent of public instruction shall, at the same time, provide an annual report regarding
2 student demographics and student achievement.

3 **SECTION 5.** A new section to chapter 15-62.2 of the North Dakota Century Code is created
4 and enacted as follows:

5 **Promise grant fund - Creation - Continuing appropriation.**

- 6 1. The promise grant fund is created as a special fund in the state treasury. The fund
7 consists of all moneys appropriated or transferred by the legislative assembly, together
8 with any gifts or grants received from any public or private source.
9 2. All moneys in the promise grant fund are appropriated on a continuing basis to the
10 state board of higher education for the purpose of providing promise grants in
11 accordance with this Act.
12 3. The state board of higher education shall administer the promise grant fund.
13 4. The state investment board shall invest moneys in the promise grant fund, in
14 accordance with chapter 21-10, and any income earned must be deposited into the
15 trust fund.
16 5. All interest and income from the promise grant fund is available to the state board of
17 higher education for the purpose of providing promise grants under this Act.
18 6. The state board of higher education shall return any unexpended amount in the trust
19 fund on June 30, 2032, to the general fund in the state treasury.

20 **SECTION 6. REPEAL.** Sections 15.1-21-02.4, 15.1-21-02.5, 15.1-21-02.6, 15.1-21-02.7,
21 and 15.1-21-02.8 of the North Dakota Century Code are repealed.

22 **SECTION 7. EFFECTIVE DATE.** Section 6 of this Act is effective on July 1, 2017.

23 **SECTION 8. EXPIRATION DATE.** This Act is effective through June 30, 2032, and after that
24 date is ineffective.