

**Senate Bill 2030**

Senate Appropriations Committee

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Good morning Chair Holmberg and Committee Members. My name is David Krebsbach, and I am here today to testify in support of Senate Bill 2030. The bill appropriates \$9.65 million from the general fund for the higher education Challenge Grant program authorized in N.D.C.C. 15-10-48 through 15-10-49.

Established by the 2013 Legislative Assembly, the Challenge Grant program was designed to stimulate the spirit of philanthropy at the state’s colleges and universities. Funds can be used for scholarships, endowed chairs, technology, research, and educational infrastructure, although the main focus of the program has been student scholarships. Every \$1 in state funding must be matched with \$2 in eligible, private donations.

The \$9.65 million appropriation, which is equivalent to the 2019-21 level, would be allocated to institutions based on current statute, as follows:

<b>Institution</b>	<b>Amount</b>
NDSU & UND	\$1.7 million
MISU, BSC & NDSCS	\$950,000
DSU, MaSU, & VCSU	\$700,000
DCB, LRSC & WSC	\$350,000
UND School of Law	\$250,000

As of January 26th, 2021, all 2019-21 Challenge Grant funds will have been matched & awarded to the institutions. All but two institutions utilized their full allocation. Unmatched dollars are pooled and awarded to other institutions. The \$9.65 million in state funds was matched by \$22.02 million in private donations - for total of \$31.67 million. Student scholarships accounted for 91.6% of the total, and 2.6% was used for endowed chairs. The remaining 5.8% was utilized for technology, research, and educational infrastructure.

Since program inception, \$61.8 million in state dollars has been leveraged with private donations for a total investment of \$192.7 million. Of the total, \$115.7 million, or 60%, was dedicated to increasing student scholarships. \$21.4 was used to expand educational infrastructure, while the remaining dollars were directed to endowed chairs, technology, and research.

Several university foundation representatives are here to provide evidence as to the success of this program at their institutions.

I ask for a **Do Pass on SB2030** and am available to answer your questions.

Thank you.

