

## Student Financial Assistance Programs

### Revised January 20, 2023

Program Name	2019-21	2021-23	2023-25 Request
Student Financial Assistance Program (ND State Grant)	\$ 23,917,306	\$ 23,917,306	\$ 23,917,306
North Dakota Scholars Program	1,807,115	1,807,115	1,807,115
Academic/CTE/ND Scholarships	12,016,749	16,216,749	17,216,749
North Dakota Indian Scholarship Program	555,323	555,323	1,000,000
Professional Student Exchange Program (PSEP)	3,699,342	3,699,342	3,699,342
Education Incentive Programs	510,000	260,000	260,000
Dual Credit Tuition Scholarship	0	1,500,000	0
ND Career Builders - Skilled Workforce Scholarship and Loan Repayment	6,000,000	4,500,000	0*
<b>Total</b>	<b>\$48,505,835</b>	<b>\$52,455,835</b>	<b>\$47,900,512</b>

\*ND Career Builders Skilled Workforce Scholarship and Loan Repayment program are continuing appropriation. As of January 8, 2023, it is anticipated the ND Career Builders Skilled Workforce Scholarship is anticipated to be fully expended before the 2023-25 biennium concludes and the ND Career Builders Skilled Workforce Loan Repayment program is anticipated to have \$852,593 remaining at the end of 2023-25.

### Introduced Bills related to Financial Aid Programs

- [HB1030](#) – provides clarification and adjustments to various financial aid programs.
- [HB1031](#)– Student Financial Aid Grant Assistance, increase student grants from \$1,100 to \$1,600 per semester, increases appropriation by \$12 million from \$23.9 million to \$35.9 million; Academic and Career and Technical Education Scholarship, increases appropriation by \$1 million, from \$16.2 million to \$17.2 million; and Dual Credit Tuition Scholarship, appropriates \$1.5 million from BND profits.
- [HB1032](#) – High Demand Certificate Programs, appropriation of \$1 million.
- [HB1240](#) – ND Career Builders - Adds final 2 years of teacher education program as eligible program for scholarship and allows public funds as match. \$2 million appropriation from legacy earnings.
- [HB1305](#) – Incorporates additional scholarship requirements in high school.
- [HB1382](#) – Adds eligibility for the Academic/CTE/ND scholarships for apprenticeship programs. Fiscal impact is \$399,000.

- [HB1451](#) – Increases the amount of the Academic/CTE/ND scholarship to \$10,000 maximum, \$1,250/sem. or \$833/qtr. Includes \$5.6 million general fund appropriation.
- [HB1470](#) – Back-to-College Grant for students aged 25 or older who have not received a first degree. Includes \$1 million general fund appropriation.
- [SB2033](#) – Creates teacher shortage loan forgiveness program administered by DPI. \$3 million general fund appropriation.
- [SB2127](#) – Behavioral health student loan repayment program at DHHS. \$377,600 general fund + \$510,400 community health trust fund.
- [SB2197](#) – Re-energize ND scholarship for oil industry workers & dependents. \$10 million general fund.
- [SB2287](#) – Adds eligibility for registered nurses to receive loan repayment administered by DHHS. Includes a \$.5 million general fund appropriation.
- [SB 2270](#) – Student teacher grant. No appropriation/fiscal note. Administered by DPI.

## Student Financial Assistance Program (ND State Grant)

- Need-based grant awarded to undergraduate ND resident students with the highest financial need.
- Application is through the Free Application for Federal Student Aid (FAFSA).
- Must attend a qualifying post-secondary North Dakota institution, unless special services or facilities only offered outside of the state are required.
- Awarded for up to the equivalent of 8 fulltime semesters, or the attainment of a 1<sup>st</sup> bachelor's degree, whichever occurs first.
- Must maintain satisfactory academic progress at enrolling institution to qualify.
- Maximum grant is \$1,100 per semester or \$733 per quarter. Part-time enrolled student may qualify for a pro-rated award amount down to 1/4 time.
- **Average # awarded per year is 6,100.**
- Award formula excludes other state, institutional or private scholarships or grants.
- 2021-23 projected expenditures: \$24.4 million.
- 2023-25 budget request: Maintain the current funding level of \$23,917,306, based on the maximum award amounts noted above.

ND State Grant					
Biennium	General Fund (GF) Appropriation (post-allotment)	Prior Biennium Carryover	Total Available	Actual or Est. GF Expenditures	Actual or Est. Carryover
2007-09	\$ 5,823,497	\$ 364,300	\$ 6,187,797	\$ 5,634,251	\$ 553,546
2009-11	\$ 19,025,594	\$ 553,546	\$ 19,579,140	\$ 17,358,587	\$ 2,220,553
2011-13	\$ 19,025,594	\$ 2,220,553	\$ 21,246,147	\$ 20,097,526	\$ 1,148,621
2013-15	\$ 21,245,679	\$ 1,148,621	\$ 22,394,300	\$ 18,363,111	\$ 4,031,189
2015-17	\$ 23,886,160	\$ 4,031,189	\$ 27,917,349	\$ 22,120,356	\$ 796,993
*2017-19	\$ 21,917,306	\$ 796,993	\$ 22,714,299	\$ 19,720,372	\$ 2,993,927
**2019-21	\$ 23,917,306	\$ 2,993,927	\$ 26,911,233	\$ 23,454,448	\$ 956,785
2021-23	\$ 23,917,306	\$ 956,785	\$ 24,874,091	\$ 24,400,000	\$ 474,091
2023-25	\$ 23,917,306	\$ 474,091	\$ 24,391,397	\$ 24,391,397	\$ -

\*2017 Legislative Assembly directed \$5.0 million carryover to be turned-back at end of 2015-17 biennium.

\*\*The Emergency Commission and Legislative Budget Section approved a transfer to \$2.5 million to the ND Academic & CTE Scholarship to cover shortfall in that program in 2019-21 biennium.



## North Dakota Scholars Program

- Premier merit-based scholarship providing full regular (basic) undergraduate tuition scholarships to the top-ranked ND resident high school graduates based on national test scores on the ACT or SAT.
- National test must be taken in the junior year of high school, prior to July 1 preceding the start of the senior year in high school.
- Students ranked in the top 95<sup>th</sup> percentile of all test-takers in the state are considered for the award (215 in top 95<sup>th</sup> in 2022 cohort).
- Must attend qualifying post-secondary North Dakota institution unless special services or facilities only offered outside of the state are required.
- Awarded for maximum of 8 semesters or the attainment of a bachelor's degree, whichever occurs first.
- Must enroll as a fulltime student (12 credits) and maintain a 3.50 cumulative grade point average for renewal.
- Retention rates from year-to-year are 87%.
- **Current appropriation provides for approximately 30 new awards per year.**
  - The 6-year period through 2014/15 produced an average of 49 new awards per year. The subsequent 6-year average dropped to 31 new awards per year.
  - Beginning in the 2023-25 biennium, current appropriation will only support 28-29 new Scholars per year.
- 2021-23 projected expenditures: \$1.9 million.
- 2023-25 budget request: Maintain the current funding level of \$1,807,115.

ND Scholars Program					
Biennium	General Fund (GF) Appropriation (post-allotment)	Prior Biennium Carryover	Total Available	Actual or Est. GF Expenditures	Actual or Est. Carryover
2007-09	\$ 1,478,566	\$ 185,018	\$ 1,663,584	\$ 1,320,342	\$ 343,242
2009-11	\$ 2,113,584	\$ 343,242	\$ 2,456,826	\$ 2,060,990	\$ 395,836
2011-13	\$ 2,113,584	\$ 395,836	\$ 2,509,420	\$ 2,282,580	\$ 226,840
2013-15	\$ 2,113,584	\$ 226,840	\$ 2,340,424	\$ 2,157,742	\$ 182,682
2015-17	\$ 2,113,584	\$ 182,682	\$ 2,296,266	\$ 2,029,436	\$ 266,830
2017-19	\$ 1,807,115	\$ 266,830	\$ 2,073,945	\$ 1,694,730	\$ 379,215
2019-21	\$ 1,807,115	\$ 379,215	\$ 2,186,330	\$ 1,716,060	\$ 470,270
2021-23	\$ 1,807,115	\$ 470,270	\$ 2,277,385	\$ 1,850,451	\$ 426,934
2023-25	\$ 1,807,115	\$ 426,934	\$ 2,234,049	\$ 1,970,649	\$ 263,400

## ND Academic, ND CTE and North Dakota Scholarships

- Merit-based scholarship providing \$750 per semester or \$500 per quarter or clock-hour scholarship to ND resident students for meeting challenging academic and technical criteria in high school
- The new North Dakota scholarship was created by the 2021 Legislative Assembly. Students graduating in 2022, 2023, or 2024 can qualify via the Academic or CTE scholarship requirements, or the new North Dakota scholarship requirements. Starting with the graduating class of 2025, students can only qualify under the new North Dakota Scholarship requirements.
- Awards capped at \$6,000 over a maximum of six years following high school graduation to undergraduate and graduate/professional students.
- Must maintain a 2.75 grade point average and meet degree-progress requirements during post-secondary enrollment.
- Must be enrolled full time as defined by the institution.
- Must attend an accredited public, private or tribal institution of higher education with a physical presence in this state, including accredited private career schools.
- Approximately 23% of high school seniors qualify. High school graduates are anticipated to grow through 2032, peaking at 10,620 graduates (*Western Interstate Commission for Higher Education, Knocking at the College Door, 10th Edition, 2020.*)
- **The 5-year average # awarded per year (unduplicated) is 5,230.**
- \$2.5 million transferred from the need-based state grant program to cover shortfall in 2019-21 biennium. Anticipating \$1 million shortfall in 2023-25 biennium. Pro-rating awards is not provided for in statute.
- 2021-23 projected expenditures: \$15.8 million.
- 2023-25 budget request: \$17,216,749 includes a \$1 million increase to cover anticipated shortfall.

### Academic, CTE and ND Scholarships

Biennium	General Fund (GF) Appropriation (post-allotment)	Prior Biennium Carryover	Total Available	Actual or Est. GF Expenditures	Actual or Est. Carryover
2009-11	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 1,870,896	\$ 1,129,104
2011-13	\$ 10,000,000	\$ 1,129,104	\$ 11,129,104	\$ 6,970,842	\$ 4,158,262
2013-15	\$ 10,000,000	\$ 4,158,262	\$ 14,158,262	\$ 11,182,609	\$ 2,975,653
2015-17	\$ 13,134,096	\$ 2,975,653	\$ 16,109,749	\$ 12,677,219	\$ 3,432,530
2017-19	\$ 12,016,749	\$ 3,432,530	\$ 15,449,279	\$ 14,705,750	\$ 743,529
**2019-21	\$ 12,016,749	\$ 743,529	\$ 12,760,278	\$ 14,838,000	\$ 422,278
2021-23	\$ 16,216,749	\$ 422,278	\$ 16,639,027	\$ 15,932,524	\$ 706,503
2023-25	\$ 16,216,749	\$ 706,503	\$ 16,923,252	\$ 17,509,610	\$ (586,358)

\*\*The Emergency Commission and Legislative Budget Section approved a transfer to \$2.5 million to the ND Academic & CTE Scholarship to cover shortfall in that program in 2019-21 biennium.



## North Dakota Indian Scholarship Program

- Provides merit (3.50 GPA or higher) or need-based (2.00-3.49 GPA) scholarships.
- The statutory maximum award is \$2,000 per academic year to eligible ND resident students.
  - FY 22 maximum awards \$1,130 undergraduate and \$2,000 graduate, based on appropriation level and number of qualifying applications.
- Applications submitted annually to the North Dakota University System (NDUS) with a July 15<sup>th</sup> priority date.
- Completion of the FAFSA required for need-based award determination.
- Undergraduate, graduate, & professional students may qualify.
- May attend any institution of higher learning, or state career and technical education program within this state.
- Must be enrolled full time (undergraduate 12 credits and graduate 9 credits), except for the final term to graduate.
- **5-year average number of awardees through FY22 is 274.**
- 2021-23 projected expenditures: \$.56 million.
- 2023-25 budget request: Maintain the current funding level of \$555,323.

North Dakota Indian Scholarship					
Biennium	General Fund (GF) Appropriation (post-allotment)	Prior Biennium Carryover	Total Available	Actual or Est. GF Expenditures	Actual or Est. Carryover
2007-09	\$ 380,626	\$ 666	\$ 381,292	\$ 380,117	\$ 5
2009-11	\$ 381,292	\$ 1,175	\$ 382,467	\$ 382,250	\$ 217
2011-13	\$ 574,267	\$ 217	\$ 574,484	\$ 556,400	\$ 18,084
2013-15	\$ 649,267	\$ 18,084	\$ 667,351	\$ 666,751	\$ 600
2015-17	\$ 649,267	\$ 600	\$ 649,867	\$ 644,056	\$ 5,811
2017-19	\$ 555,323	\$ 5,811	\$ 561,134	\$ 550,006	\$ 11,128
2019-21	\$ 555,323	\$ 11,128	\$ 566,451	\$ 543,354	\$ 23,097
2021-23	\$ 555,323	\$ 23,097	\$ 578,420	\$ 578,420	\$ -
2023-25	\$ 555,323	\$ -	\$ 555,323	\$ 555,323	\$ -

## Dual Credit Tuition Scholarship

- This program was created by the 2021 Legislative Assembly. It rewards college students for taking college coursework for credit as a high school student.
- \$1.5 million Bank of ND funds allotted to the program (one-time funding).
- Must have completed at least one dual credit course provided by an NDUS institution while enrolled in ND high school or a ND program of home education.
- Must have completed at least one semester, quarter, or term at an institution of higher education in the state.
- Must be enrolled at a ND state public, private, tribal, or proprietary institution.
- Maximum award \$750
  - May not exceed 50% of the cost of the dual credit course(s) taken while in high school.
  - May not exceed tuition and fees for the semester, quarter, or term the scholarship applies.
- Total awards and pending applications to-date are \$1.43 million to 2,668 students (as of 1/17/2023).
- 2021-23 projected expenditures: \$1.5 million.
- 2023-25 budget request: Maintain the current funding level of \$1.5 million.
  - ND Career Builders funding level not sufficient to support both the DC Tuition Scholarship and ND Career Builders.

### Dual Credit Tuition Scholarship (One-Time Funding)

Biennium	General Fund (GF) Appropriation-BND Funds	Prior Biennium Carryover	Total Available	Actual Exp. And Est. New Awards	Actual or Est. Carryover
2021-23	\$ 1,500,000	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -



## Skilled Workforce Scholarship and Skilled Workforce Loan Repayment (ND Career Builders)

- Workforce development program designed to attract and retain talent into high-need and emerging occupations in the state.
- \$2.25M scholarship and \$2.25M loan repayment - Bank of ND funds allotted to the program.
- Requires a private sector match dollar-for-dollar to award state funds.
- Eligible recipients may qualify for the scholarship &/or loan repayment, not to exceed a maximum of \$17,000 total (50% private sector funds & 50% state funds)
- Administrative cost allowance provided for marketing (1.5% effective 7/1/21 and 0.05% effective 7/31/23).
- As of 12/22/2022, 269 individuals have been awarded under the program and are either currently working, seeking employment, or enrolled in an eligible program of study.
- Scholarship criteria:
  - Students must be admitted into a qualifying program in the state.
  - Qualifying programs are associate degree or lower credential, including certificates.
  - Requires a cumulative GPA of 2.50 or higher for payment.
  - Student agrees to live in ND and work in a high-need or emerging occupation for 3 years following program completion – Recipient signs a Scholarship Award Agreement.
  - Failing to complete program of study or meet residency/employment guidelines for a minimum of 3 years following program completion will result in student repaying funds to the state.
- Loan Repayment criteria:
  - Applicants hired into a qualifying position in ND within 24 months of application may qualify.
  - Must have an earned degree (any institution) and hold a balance on qualifying student loan(s).
  - Must live in ND and work in ND in a high-need or emerging occupation.
  - Annual award limited to \$5,667, lifetime limit of \$17,000.
  - No repayment provision as recipient earns the award as requirements are met.
- 2021-23 actual expenses and future obligations (state-funded dollars only): \$1.2 million.
- 2023-25 budget request: Maintain the current funding source from the Bank of ND to support workforce development in the state, to include ongoing funding for marketing the program.
  - Assuming a 57% growth rate, estimated combined scholarship and loan repayment balance at the end of the 23-25 biennium is \$.5 million.

ND Career Builders Scholarship					
Biennium	General Fund (GF) Appropriation-BND Funds	Prior Biennium Carryover	Total Available	Expenses (actual/obligated/new)	Actual or Est. Carryover
2019-21	\$3,000,000	\$-	\$3,000,000	\$194,439	\$2,805,562
2021-23 est.	\$-	\$2,250,000	\$2,250,000	\$708,877	\$1,541,123
2023-25 est.	\$-	\$1,541,123	\$1,541,123	\$1,850,417	\$(309,294)
2025-27 est.	\$-	\$(309,294)			
ND Career Builders Loan Repayment					
Biennium	General Fund (GF) Appropriation-BND Funds	Prior Biennium Carryover	Total Available	Expenses (actual/obligated/new)	Actual or Est. Carryover
2019-21	\$3,000,000	\$-	\$3,000,000	\$27,525	\$2,972,475
2021-23 est.	\$-	\$2,250,000	\$2,250,000	\$295,441	\$1,954,559
2023-25 est.	\$-	\$1,954,559	\$1,954,559	\$1,095,217	\$859,342
2025-27 est.	\$-	\$859,342	\$859,342	\$6,749	\$852,593

<sup>2</sup>Expenditures reflect only the state funded portion.

<sup>3</sup>Estimated growth 57%.



## Professional Student Exchange Program (PSEP):

- Secures admission opportunities for North Dakota resident students seeking professional training in veterinary medicine, dentistry, or optometry at out-of- state institutions.
  - Western Interstate Commission for Higher Education (WICHE) in the content areas of veterinary medicine, dentistry, and optometry.
  - University of Minnesota in veterinary medicine and dentistry.
  - Iowa State University in veterinary medicine.
  - Kansas State University in veterinary medicine.
- Budgeted new slots per year:
  - Veterinary Medicine (University of MN-2, Iowa State-4, WICHE-1, KSU-5)
  - Optometry (WICHE-8)
  - Dentistry (University of MN-5 and WICHE-2).
- Applications submitted annually to the NDUS by October 15 proceeding the first year of professional studies receive priority consideration.
- Awards support a portion of the student’s tuition cost in the professional programs for 4 years.
- 10-year return to ND rates (all sites): Veterinary Medicine 50%; Optometry 45%; Dentistry 52%.
- 2021-23 projected expenditures: \$4.2 million.
- 2023-25 budget request: Maintain current funding level of \$3,699,342.

PSEP					
Biennium	General Fund (GF) & Student Loan Trust Fund Appropriation (post-allotment)	Prior Biennium Carryover	Total Available	Actual or Est. GF Expenditures	Actual or Est. Carryover
2007-09	\$ 2,199,566	\$ 53,564	\$ 2,253,130	\$ 2,008,731	\$ 244,399
2009-11	\$ 2,346,129	\$ 244,399	\$ 2,590,528	\$ 2,147,774	\$ 442,754
2011-13	\$ 2,856,131	\$ 442,754	\$ 3,298,885	\$ 2,647,045	\$ 651,840
2013-15	\$ 3,809,708	\$ 651,840	\$ 4,461,548	\$ 3,910,071	\$ 551,477
2015-17	\$ 3,941,754	\$ 551,477	\$ 4,493,231	\$ 3,719,775	\$ 773,456
2017-19	\$ 3,699,342	\$ 773,456	\$ 4,472,798	\$ 3,439,771	\$ 1,033,027
2019-21	\$ 3,699,342	\$ 1,033,027	\$ 4,732,369	\$ 3,221,991	\$ 1,510,378
2021-23	\$ 3,699,342	\$ 1,510,378	\$ 5,209,720	\$ 4,098,370	\$ 1,111,351
2023-25	\$ 3,699,342	\$ 1,111,351	\$ 4,810,693	\$ 4,806,111	\$ 4,582

## Education Incentive Programs

- **Doctoral Graduates Program**
  - UND and NDSU awarded \$130,000 each to promulgate additional doctoral level graduates and doctoral programs within the state.
  - 2023-25 budget request maintains the doctoral program funding of \$260,000.

