

Introduced by

1 A BILL for an Act to create and enact section 15-10-43.3 of the North Dakota Century Code,
2 relating to professional student exchange program eligibility; to amend and reenact
3 subsection 5 of section 15-10-38.1, sections 15-10-38.2 and 15-10-38.3, subsection 2 of section
4 15-62.5-01, and sections 15-62.5-03, 15-62.5-04, and 15-62.5-05 of the North Dakota Century
5 Code, relating to the skilled workforce scholarship program, the skilled workforce student loan
6 repayment program, and the scholars program; and to provide an appropriation.

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

8 **SECTION 1. AMENDMENT.** Subsection 5 of section 15-10-38.1 of the North Dakota
9 Century Code is amended and reenacted as follows:

10 5. The requirement under subdivision c of subsection 4 is met if an individual is enrolled
11 in or has completed a master of science degree in nursing while teaching four clinical
12 credits per year and resides in this state or within fifty miles [80.47 kilometers] of this
13 state and works in this state in an occupation requiring the degree.

14 **SECTION 2. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship**
17 **fund - Continuing appropriation - Report.**

18 1. There is created in the state treasury the skilled workforce scholarship fund. The fund
19 consists of moneys transferred into the fund by the legislative assembly, matching
20 funds received, and scholarship repayments. Moneys in the fund are appropriated to
21 the state board of higher education on a continuing basis for the purpose of providing
22 grants to institutions of higher education related to skilled workforce scholarships.
23 Institutions of higher education include institutions under the control of the state board
24 of higher education, North Dakota nonpublic accredited institutions of higher

1 education, tribally controlled community colleges, state-approved educator training
2 programs, and North Dakota institutions approved to operate by the North Dakota
3 board of career and technical education. The state board of higher education may
4 transfer money between this fund and the skilled workforce student loan repayment
5 program fund established in section 15-10-38.1.

6 2. The state board of higher education shall adopt policies and procedures to develop,
7 implement, promote, and administer a skilled workforce scholarship program in
8 cooperation with the Bank of North Dakota and the North Dakota workforce
9 development council with the intent of attracting and retaining individuals for
10 professional or technical skills in high demand in this state.

11 3. The North Dakota workforce development council in cooperation with job service North
12 Dakota shall use available labor market information to determine annually the eligible
13 high-demand professional and technical skills and emerging occupations in this state.

14 4. The state board of higher education and the workforce development council shall
15 compile a list of qualifying educational programs annually. A qualifying educational
16 program:

17 a. Is a program resulting in attainment of an associate's degree or lower credential
18 program ~~that may be completed within four semesters, six quarters, or the final~~
19 two years of a baccalaureate program.

20 b. Must pertain to the professional and technical skills and emerging occupations in
21 high demand in this state, as determined under subsection 3.

22 c. May include degree or certificate programs.

23 d. Notwithstanding any other requirements under this subsection, is a program
24 resulting in attainment of a master of science degree in nursing, if the individual
25 teaches four clinical credits per calendar year.

26 5. Individuals enrolled in a qualifying educational program in this state may apply for a
27 scholarship under this section. Scholarships are limited to the amount charged each
28 quarter, semester, or term by the educational institution for the tuition, fees, books, and
29 supplies required for the qualifying educational program. The scholarships are
30 intended to supplement any other scholarship or financial aid grant received by a
31 student to assist the student with the costs of the qualifying educational program. An

1 individual may not receive a combined total exceeding seventeen thousand dollars
2 under this section and the skilled workforce loan repayment program under section
3 15-10-38.1.

4 6. To be eligible for a scholarship payment under this section, a student must be enrolled
5 full time in an eligible program and have at least a 2.5 cumulative grade point average,
6 based on a 4.0 grading system, or maintain academic progress in the program
7 according to program requirements. ~~A student may not receive scholarships under this~~
8 ~~section for more than the equivalent of four semesters of full-time enrollment or~~
9 ~~six quarters of full-time enrollment.~~

10 7. Upon completion of a qualifying educational program, a student who received a
11 scholarship under this section must ~~reside and work in this state in an eligible~~
12 ~~high-demand or emerging occupation for a minimum of three years or~~ reside in this
13 state or within fifty miles [80.47 kilometers] of this state and work in this state in an
14 eligible high-demand or emerging occupation for a minimum of three years.

15 8. Except as provided in subsection 9, an individual shall repay the scholarship,
16 excluding the matching funds portion of the scholarship, pursuant to the terms in the
17 individual's scholarship award agreement if the individual fails to maintain academic
18 progress according to program requirements while enrolled, withdraws voluntarily or
19 involuntarily before the completion of the program for which a scholarship has been
20 received, or fails to comply with subsection 7.

21 9. An individual who receives a scholarship under this section and who transfers from
22 one eligible academic program to another eligible academic program must complete
23 the program within two years and meet all other eligibility requirements to be exempt
24 from the repayment provisions under subsection 8.

25 10. The state board of higher education, in conjunction with the Bank of North Dakota,
26 may allow an individual who received payment under this section to delay or cancel
27 repayment under this section due to financial difficulty, military service, death, or total
28 disability.

29 11. Each quarter, semester, or term, the state board of higher education shall distribute
30 grants to institutions of higher education to provide the amounts necessary for the
31 scholarships awarded to the students enrolled in each institution.

- 1 12. The state board of higher education shall provide one dollar of funding for each
2 one dollar raised from the private sector or other public sources. Any matching funds
3 received must be deposited in the skilled workforce scholarship fund.
- 4 13. An applicant for a scholarship payment under this section is ineligible if the applicant:
5 a. Provides or directs matching funds; or
6 b. Is the husband, wife, father, mother, brother, sister, son, daughter, father-in-law,
7 mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, stepchild,
8 uncle, aunt, niece, nephew, or grandchild of:
9 (1) The individual providing or directing matching funds; or
10 (2) An individual authorized to make decisions on behalf of an entity providing
11 or directing matching funds, including a controlling shareholder, member of
12 the governing body, director, or managing partner.
- 13 14. The state board of higher education may not issue a scholarship under this section
14 which is in excess of the total cost of attendance, as determined by the institution of
15 higher education, when considering all financial aid sources.
- 16 15. The state board of higher education shall provide a biennial program report to the
17 legislative management by September first of each even-numbered year. The report
18 must include information regarding:
19 a. The eligible high-demand professional and technical skills and emerging
20 occupations;
21 b. The qualifying educational programs;
22 c. The number of applicants, eligible applicants, and applicants receiving awards;
23 d. The amount of matching funds raised; and
24 e. The average and total amounts awarded under the program.

25 **SECTION 3. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **15-10-38.3. Scholarship and loan forgiveness administrative costs.**

28 The state board of higher education shall retain up to one and one-half percent of any funds
29 appropriated to the board and any funds continued from prior bienniums under subsection 1 of
30 section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for
31 promotion and administration of the programs under those sections.

1 **SECTION 4.** Section 15-10-43.3 of the North Dakota Century Code is created and enacted
2 as follows:

3 **Professional student exchange program.**

4 The state board of higher education shall administer the professional student exchange
5 program to provide scholarships to eligible individuals enrolled in a participating veterinary
6 medicine, optometry, or dentistry program in another state. To be eligible, the individual must
7 have:

- 8 1. Graduated from a high school in this state;
- 9 2. Graduated from a high school in a bordering state, pursuant to chapter 15.1-29;
- 10 3. Graduated from a nonpublic high school in a bordering state while residing with a
11 custodial parent in this state;
- 12 4. Completed a program of home education supervised in accordance with chapter
13 15.1-23; or
- 14 5. Received a general education development high school diploma from the
15 superintendent of public instruction.

16 **SECTION 5. AMENDMENT.** Subsection 2 of section 15-62.5-01 of the North Dakota
17 Century Code is amended and reenacted as follows:

- 18 2. On the ACT achieved a composite score of 30 or higher, or an equivalent score on an
19 equivalent nationally recognized standardized test approved by the state board of
20 higher education ~~prior to~~during the qualifying testing period between July first in the
21 ~~calendar year preceding the individual's post-secondary enrollment and June thirtieth~~
22 preceding the individual's final year in high school;

23 **SECTION 6. AMENDMENT.** Section 15-62.5-03 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **15-62.5-03. Scholars program - Ranking and selection of recipients.**

- 26 1. The state board of higher education shall rank scholars program applicants by their
27 ACT composite scores or equivalent scores on a nationally recognized standardized
28 test approved by the state board of higher education.
- 29 2. An applicant's scores from tests taken during the qualifying testing period must be
30 superscored in accordance with the ACT superscoring methodology to determine the

1 highest composite or equivalent score. The ACT superscore is the average of the
2 highest section scores in English, mathematics, and reading.

3 3. If two or more applicants have the same scores as determined in
4 ~~subsection 1~~subsections 1 and 2, they must be ranked by the numeric sum of their
5 ~~scale scores on the ACT or equivalent scores~~highest three scores on the ACT in
6 English, mathematics, reading, or science. If a nationally recognized standardized test
7 approved by the state board of higher education does not calculate scale scores, the
8 equivalent will be zero.

9 ~~3.4.~~ If two or more applicants have the same scores as determined in subsections 1
10 ~~and 2, and 3,~~ they must be ranked by the numeric sum of their English and
11 mathematics scores. If a nationally recognized standardized test approved by the state
12 board of higher education does not calculate equivalent English and mathematics
13 scores, the equivalent will be zero.

14 ~~4.5.~~ The state board of higher education may establish additional criteria to rank applicants
15 who have the same scores as determined in subsections 1 through ~~3~~4.

16 ~~5.6.~~ Scholarships must be offered to applicants in descending order according to this
17 ranking until available funds have been expended or until the pool of applicants has
18 been exhausted.

19 **SECTION 7. AMENDMENT.** Section 15-62.5-04 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **15-62.5-04. Scholars program - Scholarship amounts - Stipends.**

- 22 1. a. Each semester, the state board of higher education shall provide to an eligible
23 student a scholarship in an amount not exceeding the tuition charged at the
24 institution in which the student is enrolled, provided the amount does not exceed
25 the highest undergraduate semester tuition charged at an institution of higher
26 education under the control of the state board of higher education.
- 27 b. Each quarter the state board of higher education shall provide to an eligible
28 student a scholarship in an amount not exceeding the tuition charged per quarter
29 at the institution in which the student is enrolled, provided the amount may not
30 exceed two-thirds of the highest undergraduate semester tuition charged at an

1 institution of higher education under the control of the state board of higher
2 education.

3 c. For purposes of this subsection, the rates are calculated using a traditional fall
4 and spring academic year.

5 2. The scholarships provided for under this section are conditioned on the student
6 maintaining a 3.5 cumulative grade point average, based on a 4.0 grading system.

7 3. ~~Any student eligible for a scholarship under this section is also eligible for a stipend in~~
8 ~~an amount not exceeding two thousand dollars annually. The state board of higher~~
9 ~~education may distribute the stipend on a semester or a quarter basis.~~

10 4. a. A student is not entitled to receive scholarships under this chapter for more than
11 the equivalent of:

12 (1) Eight full-time equivalent semesters of full-time enrollment; or

13 (2) Twelve full-time equivalent quarters of full-time enrollment.

14 b. ~~Notwithstanding subdivision a, a student is not entitled to receive a scholarship~~
15 ~~under this chapter after the student obtains a baccalaureate degree~~The award
16 may be used for undergraduate, professional, or graduate students, provided
17 eligibility criteria are met.

18 ~~5.4.~~ The state board of higher education shall forward scholarships and stipends payable
19 under this chapter directly to the institution in which the student is enrolled.

20 ~~6.5.~~ The board may not issue a scholarship under this chapter which is in excess of the
21 total cost of attendance, as determined by the institution of higher education, when
22 considering all financial aid sources.

23 **SECTION 8. AMENDMENT.** Section 15-62.5-05 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **15-62.5-05. Use of scholarships and stipends - Refund policy.**

26 Scholarships and stipends awarded under this chapter may be applied to defray tuition
27 charges, fees, room and board charges, and the cost of books and supplies, and for any other
28 expenses incidental to attending an institution of higher education. If an individual discontinues
29 attendance before the completion of any semester or quarter for which a scholarship or stipend
30 has been received, the individual is subject to the refund or repayment policy of the institution at
31 which the individual was enrolled.

1 **SECTION 9. APPROPRIATION - GENERAL FUND - STATE BOARD OF HIGHER**

2 **EDUCATION.** There is appropriated out of any moneys in the general fund in the state treasury,
3 not otherwise appropriated, the sum of \$6,744,116 or so much of the sum as may be necessary,
4 to the state board of higher education for the purpose of defraying the expenses of the state
5 board of higher education, for the biennium beginning July 1, 2027, and ending June 30, 2029,
6 as follows:

7 Student financial assistance grants	\$1,000,000
8 Scholars program	5,444,116
9 Professional student exchange program	<u>300,000</u>
10 Total general fund	\$6,744,116