

Introduced by

1 A BILL for an Act to create and enact section 15-10-43.3 and a new section to chapter 15.1-02
2 of the North Dakota Century Code, relating to professional student exchange program eligibility
3 and the governor's school; to amend and reenact subsection 5 of section 15-10-38.1, sections
4 15-10-38.2 and 15-10-38.3, subsection 2 of section 15-62.5-01, and sections 15-62.5-03,
5 15-62.5-04, and 15-62.5-05 of the North Dakota Century Code, relating to the skilled workforce
6 scholarship program, the skilled workforce student loan repayment program, and the scholars
7 program; to provide legislative intent; to provide an appropriation; and to provide a report.

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

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

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

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

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

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

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

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.
3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program:
 - a. Is a program resulting in attainment of an associate's degree or lower credential program ~~that may be completed within four semesters, six quarters,~~ or the final two years of a baccalaureate program.
 - b. Must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3.
 - c. May include degree or certificate programs.
 - d. Notwithstanding any other requirements under this subsection, is a program resulting in attainment of a master of science degree in nursing, if the individual teaches four clinical credits per calendar year.
5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a

student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.

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

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

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

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

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

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

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

1 **15-10-38.3. Scholarship and loan forgiveness administrative costs.**

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

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

8 **Professional student exchange program.**

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

- 13 1. Graduated from a high school in this state;
- 14 2. Graduated from a high school in a bordering state, pursuant to chapter 15.1-29;
- 15 3. Graduated from a nonpublic high school in a bordering state while residing with a
16 custodial parent in this state;
- 17 4. Completed a program of home education supervised in accordance with chapter
18 15.1-23; or
- 19 5. Received a general education development high school diploma from the
20 superintendent of public instruction.

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

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

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

1 **15-62.5-03. Scholars program - Ranking and selection of recipients.**

2 1. The state board of higher education shall rank scholars program applicants by their
3 ACT composite scores or equivalent scores on a nationally recognized standardized
4 test approved by the state board of higher education.

5 2. An applicant's scores from tests taken during the qualifying testing period must be
6 superscored in accordance with the ACT superscoring methodology to determine the
7 highest composite or equivalent score. The ACT superscore is the average of the
8 highest section scores in English, mathematics, and reading.

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

15 ~~3.4.~~ If two or more applicants have the same scores as determined in subsections 1
16 ~~and 2, and 3,~~ they must be ranked by the numeric sum of their English and
17 mathematics scores. If a nationally recognized standardized test approved by the state
18 board of higher education does not calculate equivalent English and mathematics
19 scores, the equivalent will be zero.

20 ~~4.5.~~ The state board of higher education may establish additional criteria to rank applicants
21 who have the same scores as determined in subsections 1 through ~~34~~.

22 ~~5.6.~~ Scholarships must be offered to applicants in descending order according to this
23 ranking until available funds have been expended or until the pool of applicants has
24 been exhausted.

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

27 **15-62.5-04. Scholars program - Scholarship amounts --Stipends.**

28 1. a. Each semester, the state board of higher education shall provide to an eligible
29 student a scholarship in an amount not exceeding the tuition charged at the
30 institution in which the student is enrolled, provided the amount does not exceed

- 1 the highest undergraduate semester tuition charged at an institution of higher
2 education under the control of the state board of higher education.
- 3 b. Each quarter the state board of higher education shall provide to an eligible
4 student a scholarship in an amount not exceeding the tuition charged per quarter
5 at the institution in which the student is enrolled, provided the amount may not
6 exceed two-thirds of the highest undergraduate semester tuition charged at an
7 institution of higher education under the control of the state board of higher
8 education.
- 9 c. For purposes of this subsection, the rates are calculated using a traditional fall
10 and spring academic year.
- 11 2. The scholarships provided for under this section are conditioned on the student
12 maintaining a 3.5 cumulative grade point average, based on a 4.0 grading system.
- 13 3. ~~Any student eligible for a scholarship under this section is also eligible for a stipend in~~
14 ~~an amount not exceeding two thousand dollars annually. The state board of higher~~
15 ~~education may distribute the stipend on a semester or a quarter basis.~~
- 16 4. a. A student is not entitled to receive scholarships under this chapter for more than
17 the equivalent of:
- 18 (1) Eight full-time equivalent semesters of ~~full-time enrollment~~; or
- 19 (2) Twelve full-time equivalent quarters of ~~full-time enrollment~~.
- 20 b. ~~Notwithstanding subdivision a, a student is not entitled to receive a scholarship~~
21 ~~under this chapter after the student obtains a baccalaureate degree~~The award
22 may be used for undergraduate, professional, or graduate students, provided
23 eligibility criteria are met.
- 24 ~~5.4.~~ The state board of higher education shall forward scholarships and stipends payable
25 under this chapter directly to the institution in which the student is enrolled.
- 26 ~~6.5.~~ The board may not issue a scholarship under this chapter which is in excess of the
27 total cost of attendance, as determined by the institution of higher education, when
28 considering all financial aid sources.

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

1 **15-62.5-05. Use of scholarships and stipends - Refund policy.**

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

8 **SECTION 9.** A new section to chapter 15.1-02 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Governor's school - Legislative management report.**

- 11 1. The superintendent of public instruction shall conduct a North Dakota governor's
12 school each summer, subject to legislative appropriations. The superintendent shall
13 ensure the governor's school:
- 14 a. Alternates annually between North Dakota state university and the university of
15 North Dakota, each of which may receive no more than fifty percent of the
16 funding appropriated for the program each biennium.
- 17 b. Provides programs related to North Dakota workforce needs, aligned with
18 institutional academic strengths and student interests and demands.
- 19 c. Includes codirectors at North Dakota state university and the university of North
20 Dakota to ensure continued collaboration.
- 21 2. Funding appropriated for the governor's school may be used by the campuses for
22 planning, supervision, transportation, student engagement activities, mentorship,
23 communication with families, recruitment, program assessment, and other expenses
24 for the students, including housing, dining, resident assistants, program directors,
25 instructors, and faculty research sponsors.
- 26 3. The codirectors of the governor's school shall provide a biennial report to the
27 legislative management regarding the program, including:
- 28 a. The number of applicants, accepted students, and enrolled scholars;
29 b. School, county, and regional scholar representation;
30 c. Academic pathways offered and the alignment with workforce needs;
31 d. Scholar satisfaction and sense of academic belonging;

- 1 e. Scholar interest in institutions under the control of the state board of higher
2 education before and after participation;
3 f. Employer, alumni, faculty, and community partner engagement; and
4 g. Post-program enrollment outcomes at institutions under the control of the state
5 board of higher education, when available.

6 **SECTION 10. LEGISLATIVE INTENT - GOVERNOR'S SCHOOL FUNDING.** It is the intent
7 of the seventieth legislative assembly that the superintendent of public instruction continue to
8 provide \$500,000 per biennium for the governor's school.

9 **SECTION 11. APPROPRIATION - GENERAL FUND - STATE BOARD OF HIGHER**
10 **EDUCATION.** There is appropriated out of any moneys in the general fund in the state treasury,
11 not otherwise appropriated, the sum of \$6,744,116 or so much of the sum as may be necessary,
12 to the state board of higher education for the purpose of defraying the expenses of the state
13 board of higher education, for the biennium beginning July 1, 2027, and ending June 30, 2029,
14 as follows:

15 Student financial assistance grants	\$1,000,000
16 Scholars program	5,444,116
17 Professional student exchange program	<u>300,000</u>
18 Total general fund	\$6,744,116