



HIGHER EDUCATION FUNDING REVIEW COMMITTEE

Wednesday, March 25, 2026
Roughrider Room, State Capitol
Bismarck, North Dakota

Senator Ronald Sorvaag, Chairman, called the meeting to order at 9:00 a.m.

Members present: Senators Ronald Sorvaag, Josh Boschee, Scott Meyer, Jonathan Sickler; Representatives Karla Rose Hanson, Mike Nathe, Steve Swiontek; Citizen Members Bruce A. Bollinger, Erica Buchholz, Rebecca Collins, Keith Johnson, Krista Lambrecht, Karla Mongeon-Stewart

Members absent: None

Others present: Senator Brad Bekkedahl, Williston, and Representative LaurieBeth Hager, Fargo, members of the Legislative Management
Bernell Hirning, Williston State College; Scott Molander, Dickinson State University
See [Appendix A](#) for additional persons present.

It was moved by Representative Nathe, seconded by Representative Swiontek, and carried on a voice vote that the minutes of the January 14, 2026, meeting be approved as distributed.

Ms. Lisa Johnson, Deputy Commissioner for Academic and Student Affairs, North Dakota University System office, presented information ([Appendix B](#)) regarding low-completion programs at institutions under the control of the State Board of Higher Education. She noted:

- Certain low-completion academic programs may be continued at an institution due to workforce demand or interdependency with other academic programs.
- The State Board of Higher Education is interested in pursuing additional information regarding low-completion programs, and maintaining flexibility in the process will be important.

Chairman Sorvaag noted:

- The committee would receive additional information regarding low-completion programs at a future meeting.
- The committee should consider recommending the Legislative Assembly withhold a percentage of appropriated funding to encourage programmatic changes at the campuses.

Mr. Alex J. Cronquist, Senior Fiscal Analyst, Legislative Council, presented information ([Appendix C](#)) regarding a potential new higher education funding formula for the University of North Dakota and North Dakota State University. He noted the formula would:

- Use fall 2024 and fall 2025 semester enrollment to calculate the appropriation for the 2027-29 biennium.
- Provide incentive funding for degree completions in programs addressing in-demand occupational fields.
- Provide incentive funding for research productivity.

In response to a request from the committee, Mr. Cronquist distributed a listing of high-demand careers ([Appendix D](#)) prepared by the North Dakota Workforce Development Council.

Mr. Cronquist presented information ([Appendix E](#)) regarding a potential new higher education funding formula for the nonresearch institutions under the control of the State Board of Higher Education. He noted the formula would:

- Use fall 2024 and fall 2025 semester enrollment to calculate the appropriation for the 2027-29 biennium.
- Provide more funding for junior, senior, and graduate level students than freshman and sophomore students.
- Provide incentive funding for degree completions in programs addressing in-demand occupational fields.

Committee members:

- Expressed concern regarding the potential changes in funding for certain institutions due to a change in the funding formula.
- Expressed concern regarding changes in the incentive structure for certain academic programs and whether it may discourage institutions from offering or increasing enrollment in certain in-demand fields.
- Noted a new formula should not necessarily result in the same funding as the current formula.
- Expressed concern regarding the lack of recognition of economies of scale in the formula.
- Suggested Bismarck State College, Minot State University, and the North Dakota State College of Science have a formula separate from the other six nonresearch institutions.
- Suggested a hold harmless provision be enacted for any institutions appropriated a reduced amount when compared to the current funding formula.
- Noted it is important that the funding formula calculation for the research institutions not be overly dependent on research grants, as federal grants currently are volatile.
- Noted Tier I of the University System Capital Building Fund Program would be funded separately from the funding formulas.
- Suggested student retention be incentivized in the formula.
- Suggested the committee take into consideration the net tuition received by campuses and the impact of tuition waivers.

Chairman Sorvaag noted he would request the Legislative Council staff to prepare a bill draft to combine the Tiers in the University System Capital Building Fund, adjust matching fund requirements, and adjust the limitation on the types of projects eligible to use moneys from the fund. He noted the bill draft also would remove Medical Doctor Program credits from the higher education funding formula.

Ms. Jamie Wilke, Director of Finance, North Dakota University System office, commented regarding the funding formulas and distributed a schedule ([Appendix F](#)) detailing the percentage of students completing a degree or certificate in each academic program area.

Senator Sickler presented potential adjustments ([Appendix G](#)) to the current higher education funding formula, including the addition of a completion incentive and a research incentive.

Chairman Sorvaag noted it may not be appropriate to continue the use of the classification of instructional programs (CIP) code because changes have been made to the program weighting by prior legislative assemblies.

Dr. Bernell Hirling, President, Williston State College, commented regarding the calculation of the degree completion incentive in the proposed funding formula. He noted Williston State College has many students who do not complete their degree in a career and technical education field because they are able to enter the workforce before the completion of a degree.

Mr. Scott Molander, President, Dickinson State University, commented regarding the negative impact of the cost of education on student retention.

No further business appearing, Chairman Sorvaag adjourned the meeting at 2:47 p.m.

Alex J. Cronquist
Senior Fiscal Analyst

ATTACH:7