



BUDGET SECTION - EDUCATION AND ENVIRONMENT DIVISION

Wednesday, September 30, 2026
Room 327B, State Capitol
Bismarck, North Dakota

Senator Ronald Sorvaag, Vice Chairman, called the meeting to order at 1:00 p.m.

Members present: Representatives Karla Rose Hanson, Bob Martinson, David Richter, Steve Swiontek; Senators Cole Conley, Scott Meyer,* Donald Schaible, Ronald Sorvaag, Paul J. Thomas

Members absent: Representatives Mike Nathe, Scott Louser, Mark Sanford

Others present: Andrew Armacost and Odella Fuqua, University of North Dakota; Ann Ellefson, Department of Public Instruction; Chris Kadrmas, Department of Water Resources; Karla Mongeon-Stewart, North Dakota University System office; Marshall Stewart, North Dakota State University

See [Appendix A](#) for additional persons present.

**Attended remotely*

It was moved by Senator Schaible, seconded by Representative Swiontek, and carried on a voice vote that the minutes of the December 10, 2025, meeting be approved as distributed.

Ms. Ann Ellefson, Assistant Superintendent, Department of Public Instruction, presented information ([Appendix B](#)) regarding dual credit in the state. She noted:

- 2 high schools in the state each offered 74 dual-credit courses during the 2025-26 academic year.
- Of the 170 high schools in the state, 10 did not have any dual-credit students during the 2025-26 academic year.
- A subsidized dual-credit tuition rate is charged for courses taught at the high school by a teacher employed by the high school and an unsubsidized dual-credit tuition rate is charged for courses taught by an employee of the college or university.
- Affordability for students and families could be improved by reducing the tuition charged for subsidized dual credit to more closely align with the direct costs associated with providing the courses.

In response to a question from a committee member, Ms. Ellefson indicated the availability of advanced placement courses in the state allowed students and families to save over \$4 million annually in college tuition costs.

In response to a question from a committee member, Ms. Karla Mongeon-Stewart, Deputy Commissioner and Chief Financial and Administrative Officer, North Dakota University System office, noted all University System institutions charge the same flat rate for subsidized dual-credit courses and a separate flat rate for unsubsidized dual-credit courses, regardless of the program of study.

Mr. Chris Kadrmas, Director, Administrative Services Division, Department of Water Resources, presented information ([Appendix C](#)) regarding the Department of Water Resources, including the department's budget and the status of major water projects. He noted:

- The department is appropriated \$769.3 million and 98 full-time equivalent positions for the 2025-27 biennium.
- The Resources Trust Fund receives revenue from the oil extraction tax and is expected to be impacted significantly by the exemption for stripper wells, as more wells qualify for the exemption reducing the effective tax rate from 5 to 4.1 percent.
- The Water Infrastructure Revolving Loan Fund is available to provide financial assistance to water project sponsors to provide the local share for water projects.
- A \$100 million Bank of North Dakota line of credit is available to support the Water Infrastructure Revolving Loan Fund.
- The Bank estimates \$55 million will be drawn on the line of credit for the Water Infrastructure Revolving Loan Fund by the end of the biennium.
- Of \$570.1 million of appropriation authority continued from prior bienniums into the 2025-27 biennium, \$315.7 million has been expended, \$219.1 million is obligated for projects, and \$35.3 million is unobligated, of which the majority is appropriated for flood control.

In response to a question from a committee member, Mr. Kadrmas noted the current estimate of revenue for the Resources Trust Fund for the 2025-27 biennium is \$394 million.

In response to a question from a committee member, Ms. Dani Quissell, Executive Director, North Dakota Irrigation Association, noted the current bid environment is good for project sponsors and she expects a significant portion of the unobligated balance of money in the general water line item designated for water conveyance to be obligated by the end of the biennium.

Dr. Andrew Armacost, President, University of North Dakota, presented information ([Appendix D](#)) regarding tuition waivers at the institution. He noted the institution awarded \$13.8 million of tuition waivers for the 2024-25 academic year, including \$3.4 million mandated by law or State Board of Higher Education policy, \$5.1 million for graduate assistants, \$2.6 million for specific work, and \$2.7 million for merit and other waivers.

In response to a question from a committee member, Ms. Odella Fuqua, Interim Vice President for Finance and Operations, University of North Dakota, noted the university does not have a tuition waiver specifically for international students.

Dr. Marshall Stewart, President, North Dakota State University, presented information ([Appendix E](#)) regarding tuition waivers at the institution. He noted the institution awarded \$19.2 million of tuition waivers for the 2025-26 academic year, including \$2.9 million mandated by law or State Board of Higher Education policy, \$5.9 million for graduate assistants, \$8.6 million for merit, and \$1.8 million for partnerships and other waivers.

Ms. Mongeon-Stewart presented information ([Appendix F](#)) regarding tuition waivers at the nonresearch institutions under the control of the State Board of Higher Education. She noted:

- The 2-year institutions awarded \$2.3 million of tuition waivers for the 2024-25 academic year, of which 26 percent was for athletics and 26.1 percent for nonresident students.
- The 4-year institutions awarded \$5.3 million of tuition waivers for the 2024-25 academic year, of which 30.4 percent was for athletics and 25.2 percent for merit scholarships.

It was moved by Representative Swiontek, seconded by Representative Martinson, and carried on a voice vote that the Legislative Council staff prepare a summary of the division's activities for the 2025-26 interim for inclusion in the Budget Section's report to the Legislative Management.

No further business appearing, Vice Chairman Sorvaag adjourned the meeting at 3:26 p.m.

Sheila M. Sandness
Senior Fiscal Analyst

Alex J. Cronquist
Senior Fiscal Analyst

ATTACH:6