



HB 1128  
House Education Committee  
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Chair Heinert and members of the House Education Committee, thank you for the opportunity to provide testimony on behalf of the North Dakota University System (NDUS) and the State Board of Higher Education (SBHE) regarding House Bill No. 1128. The bill creates a new section to chapter 6-09 of the North Dakota Century Code, which would establish a higher education infrastructure revolving loan fund.

Higher education institutions are integral to the educational and economic well-being of North Dakota. Modernizing and maintaining infrastructure on our campuses is vital for providing a conducive learning environment. House Bill 1128 proposes a revolving loan fund specifically targeting the development and renovation of auxiliary enterprise infrastructure projects, including student housing, dining facilities, and campus heating systems.

The bill stipulates that the Bank of North Dakota would manage this loan program, focusing on a maximum loan term of 20 years or the useful life of a project, with an interest rate not exceeding 3.5% annually. Each qualified institution can borrow up to \$10 million, providing a financial tool for infrastructure projects.

The proposed \$25 million appropriation from the general fund, designated as a one-time funding for the upcoming biennium, would kick-start this initiative providing NDUS institutions with a new financing option.

The NDUS and SBHE appreciate the bill's comprehensive approach, which includes mechanisms for administrative cost coverage, sustainability through revolving loan repayments, and potential collaboration with local financial institutions.

The NDUS and SBHE respectfully request a Do Pass recommendation on House Bill No. 1128.

Thank you for your time and consideration. I will gladly answer any question you may have.