

**Sixty-first Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 6, 2009**

SENATE BILL NO. 2086
(Education Committee)
(At the request of the Department of Transportation)

AN ACT to amend and reenact section 24-02-42 of the North Dakota Century Code, relating to scholarship allowances.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 24-02-42 of the North Dakota Century Code is amended and reenacted as follows:

24-02-42. Scholarships authorized. The director is authorized to establish continuing grants of financial aid for study in undergraduate coursework, which meets the needs and mission of the department, at institutions of higher learning in this state. Expenditure ~~of not over twenty thousand dollars annually~~ from highway operating funds is authorized. No individual may receive financial aid in any year exceeding ~~two thousand dollars nor a total exceeding six thousand dollars and an executed contract of employment is a prerequisite~~ the tuition of the institution for which the student is enrolled. The director shall establish the annual expenditure in the department's budget, which includes individual student financial aid limitations to be determined by the director dependent on the available funds. Before any student shall receive the financial aid authorized by this section, the student shall enter into a contract with the department, which must provide that such student shall upon graduation accept employment with the department for a period of time at least equal to the time the student received financial aid benefits, the salary to be in the grade established for the classification assigned. In the event such student is inducted into the armed forces before graduation, such education may then be completed upon that student's return to civil life, and in the event such induction into the armed services is made after graduation the employment contract does not take effect until after such period of service in the armed forces has been completed. Leave of absence without pay will be granted to one whose induction occurs during the period of the life of such contract and the employment will be resumed for the balance of the contract period after such employee has been discharged from the service.

If such student fails to graduate with a degree, or fails to accept employment with the department as above provided, such student shall repay the department, with interest at the rate of six percent per annum, all sums received by the student in financial aid benefits under the contract herein provided, such repayment to be made within a period equal to the time the student received such benefits. For the purpose of this section, defenses of minority or statute of limitations are removed as to any applicant granted a loan by the director and such contracts are in all respects legal and binding. Salary increases to employees having received financial aid by virtue of this section must be based on the same considerations as other employees employed by the department.

The director, with the cooperation and concurrence of the board of higher education, shall prescribe rules for determining the selection of recipients, qualifications, and courses of study. Such rules may cover any areas as may be necessary to assure a source of qualified trained employees for the department.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-first Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2086.

Senate Vote: Yeas 47 Nays 0 Absent 0

House Vote: Yeas 86 Nays 2 Absent 6

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2009.

Approved at _____ M. on _____, 2009.

Governor

Filed in this office this _____ day of _____, 2009,
at _____ o'clock _____ M.

Secretary of State