

Introduced by

1 A BILL for an Act to amend and reenact sections 15-10-48, 15-10-49, and 15-10-53 of the North
2 Dakota Century Code, relating to matching grants for the advancement of academics at higher
3 education institutions under the control of the state board of higher education; and to provide an
4 appropriation.

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

6 **SECTION 1. AMENDMENT.** Section 15-10-48 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-10-48. Advancement of academics - Matching grants - University of North Dakota**
9 **and North Dakota state university.**

- 10 1. a. During the period beginning July 1, ~~2015~~2017, and ending December 31,
11 ~~2016~~2018, the state board of higher education shall award one dollar in matching
12 grants for every two dollars raised by the institutional foundations of the university
13 of North Dakota and North Dakota state university for projects dedicated
14 exclusively to the advancement of academics.
- 15 b. To be eligible for a matching grant, an institution must demonstrate that:
- 16 (1) Its foundation has raised at least fifty thousand dollars in cash or monetary
17 pledges for a qualifying project; and
- 18 (2) The project has been approved by the grant review committee established
19 in section 15-10-51.
- 20 c. The board may award up to ~~seven million~~ _____ dollars in matching grants
21 to each institution. ~~The first two million dollars in matching grants awarded to~~
22 ~~each institution must be used for student scholarships that comply with section~~
23 ~~15-10-53.~~

- 1 2. a. If any available dollars have not been awarded by the board before January 1,
2 2017~~2019~~, in accordance with subsection 1, either the university of North Dakota
3 or North Dakota state university may apply for an additional matching grant.
4 b. An application submitted under this subsection must meet the same criteria as an
5 original application.
6 c. The board shall consider each application submitted under this subsection in
7 chronological order.
8 d. If the remaining dollars are insufficient to provide a matching grant in the amount
9 of one dollar for every two dollars raised by the institutional foundation, the board
10 shall award a lesser amount.
11 3. The state board of higher education shall retain up to one-quarter of one percent of
12 any grant awarded under this section to assist with administrative expenses incurred
13 in the grant review process.

NOTE: During the 2015-17 biennium, the Legislative Assembly provided that \$7 million of grants were available for each research institution, of which the first \$2 million of grants had to be used for student scholarships. The provision relating to specific grants funds being used for student scholarships is removed from this section because Section 3 of this bill draft addresses the issue.

14 **SECTION 2. AMENDMENT.** Section 15-10-49 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15-10-49. Advancement of academics - Matching grants - Two-year and four-year**
17 **institutions of higher education.**

- 18 1. a. During the period beginning July 1, 2015~~2017~~, and ending December 31,
19 2016~~2018~~, the state board of higher education shall award one dollar in matching
20 grants for every two dollars raised by the institutional foundations of Bismarck
21 state college, Dakota college at Bottineau, Dickinson state university, Lake
22 Region state college, Mayville state university, Minot state university, North
23 Dakota state college of science, Valley City state university, and Williston state
24 college for projects dedicated exclusively to the advancement of academics.
25 b. To be eligible for a matching grant, an institution must demonstrate that:
26 (1) Its foundation has raised at least twenty-five thousand dollars in cash or
27 monetary pledges for a qualifying project; and

- 1 (2) The project has been approved by the grant review committee established
2 in section 15-10-51.
- 3 c. The board may award up to ~~one million~~_____ dollars in matching grants
4 to each institution.
- 5 2. a. If any available dollars have not been awarded by the board before January 1,
6 ~~2017~~2019, in accordance with subsection 1, any institution listed in subsection 1
7 may apply for an additional matching grant.
- 8 b. An application submitted under this subsection must meet the same criteria as an
9 original application.
- 10 c. The board shall consider each application submitted under this subsection in
11 chronological order.
- 12 d. If the remaining dollars are insufficient to provide a matching grant in the amount
13 of one dollar for every two dollars raised by the institutional foundation, the board
14 shall award a lesser amount.
- 15 3. a. The board may award an additional ~~five hundred thousand~~_____ dollars
16 in matching grants to institutions that have been awarded ~~one million~~_____
17 dollars in matching grants under subsection 1 and apply for an additional
18 matching grant.
- 19 b. An application submitted under this subsection must meet the same criteria as an
20 original application.
- 21 c. The board shall consider each application submitted under this subsection in
22 chronological order.
- 23 d. If the funding provided under this subsection is insufficient to provide a matching
24 grant in the amount of one dollar for every two dollars raised by the institutional
25 foundation, the board shall award a lesser amount.
- 26 4. The state board of higher education shall retain up to one-quarter of one percent of
27 any grant awarded under this section to assist with administrative expenses incurred
28 in the grant review process.

NOTE: The amount of grant funding available to nonresearch institutions under this section may need to be adjusted based on total appropriations for the challenge grant program. During the 2015-17 biennium, the Legislative Assembly provided that each institution was eligible to receive up to \$1 million of grant funding. An additional \$500,000 grant funding pool was also available for additional distributions to any institution that received its entire \$1 million original grant allocation amount.

1 **SECTION 3. AMENDMENT.** Section 15-10-53 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-10-53. Definition.**

4 For purposes of sections 15-10-48 through 15-10-52, projects dedicated to the
5 advancement of enhanced academics include investments in ~~research, scholarships,~~
6 ~~technology, endowed chairs, and investments in educational infrastructure, but awarded based~~
7 on academic or civic achievement and exclude scholarships intended solely for the benefit of
8 athletics, ~~campus facility repair projects, and new capital construction projects.~~

9 **SECTION 4. APPROPRIATION - STUDENT LOAN TRUST FUND - STATE BOARD OF**
10 **HIGHER EDUCATION.** There is appropriated out of any moneys in the student loan trust fund
11 in the state treasury, not otherwise appropriated, the sum of _____, or so much of the
12 sum as may be necessary, to the state board of higher education for the purpose of awarding
13 matching grants for the advancement of academics at institutions under the control of the
14 board, for the biennium beginning July 1, 2017, and ending June 30, 2019. The funding
15 provided in this section is considered a one-time funding item.

NOTE: The 2015 Legislative Assembly appropriated total funding of \$23.5 million for higher education challenge grants for the 2015-17 biennium, of which \$21 million was from the general fund and \$2.5 million was from the student loan trust fund. Due to the February and August 2016 general fund budget allotments, the general fund appropriation for the grant program is estimated to be reduced to \$19,625,000.