



State Capitol – 600 E Boulevard Ave – Dept. 21
 Bismarck ND 58505-0602
 Phone: 701.328.2964 Fax: 701.328.2979
 E-mail: ndfinaid@ndus.edu Web: ndus.edu

ND Native American Scholarship

Administrative Rules Committee

March 5, 2024

Brenda Zastoupil, Financial Aid Director, NDUS

701.328.2906 | brenda.zastoupil@ndus.edu

Chair Pyle and members of the committee, my name is Brenda Zastoupil, Financial Aid Director with the ND University System (NDUS). I am here today to provide information on the proposed changes to ND Administrative Code Article 42-02-01 through 42-02-05. The ND Native American Scholarship was established to provide ND resident students who are members of a federally recognized Indian tribe, funding to pursue their post-secondary education within North Dakota. The ND University System Administers the scholarship program on behalf of the Native American Scholarship Board.

The proposed changes are in part a result of statutory changes implemented by the 2023 Legislative Assembly in HB1030, as well as edits to align with current awarding practices and to provide clarity. The primary change to this program was a name change from ND Indian Scholarship to ND Native American Scholarship, which you will see throughout the amendments. Further, the amendments seek to align this scholarship's language with other state grant and scholarship programs, thereby creating more transparency for students. The following summarizes the amendments related to the enactment of HB1030.

- Scholarship name changed from ND Indian Scholarship to ND Native American Scholarship.
- Clarification of the board duties and the NDUS duties.
- Adding of clarifying language to mirror other state scholarships and grants:
 - Added “federally” recognized Indian tribes to clarify eligibility of applicants.
 - Added “accredited” institutions and “with a physical presence” to clarify which institutions the award may be used at.
- Removal of language that was no longer required due to current practices regarding verification of eligibility by the ND University System prior to payment being issued.
- Removal of language that requires the applicant to accept their award, which removed a hurdle to payment. All state financial aid awards are passively assumed to be accepted, and the eligibility criteria is confirmed prior to each payment.
- Updated cost of attendance language to match Title IV language.
- Added language to include clock-hour schools to accommodate students enrolled in career and technical programs in the state.
- Change of language to clarify that awards may not exceed \$2,000 annually.
- Removal and updating of other language throughout that reflects current practices since statute was last updated in 2003.

Page 2
ND Native American Scholarship
3/5/2024

The amended rules are not related to any federal statute or regulation. All requirements regarding posting and notification of the proposed changes were met during the rulemaking process, including the following:

- Full notice and a copy of the amended rules was provided to Legislative Council on 11/7/2023.
- Full notice and a copy of the amended rules was provided to the sponsor of HB1030, the Higher Education Committee, on 11/9/2023.
- The abbreviated notice was published with the ND Newspaper Association and an Affidavit of Publication was received. The publications occurred at least 20 days from the date of the public hearing. The cost incurred by the ND University System for this publication was \$2,151.74.
- Additionally, the NDUS notified the ND Association of Student Financial Aid Administrators (NDASFAA) of the proposed amendments to seek out comments prior to the public hearing.
- A public hearing was held on 12/18/2023. No written or oral comments were received either prior to the hearing or during the hearing.
- The Native American Scholarship Board waited the required 10-day period, meeting on 12/29/2023 to adopt the final rules as presented. No written or oral comments were received during the 10-day waiting period.
- As required by NDCC 28-32-14, the required documentation was submitted to the Attorney General's Office for an opinion. The Attorney General responded on 1/22/2024 with affirmative confirmation that the rules are in substantial compliance with state regulation and were approved as to their legality.
- NDUS submitted the final rules to Legislative Council on 1/23/2024.

Regulatory analysis was not required. A Small Entity Regulatory Analysis, Small Entity Economic Impact Statement, and Takings Assessment were not required. There is no fiscal impact on revenues and expenditures as a result of the amended rules and the rules are not adopted as emergency rules.

This concludes my testimony and would be happy to answer any questions.