

2025 HOUSE EDUCATION

HB 1128

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1128
1/14/2025

Relating to a higher education infrastructure revolving loan fund; to provide an appropriation; and to provide a transfer.

2:29 p.m. Chairman Heinert called the hearing to order.

Members Present: Chairman Heinert, Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Heilman, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Discussion Topics:

- Dated dorms
- University systems finances
- Student living
- Dorm room updates

2:30 p.m. Representative Richter, introduced the bill.

2:40 p.m. Dave Krebsbach, Vice Chancellor for the Administrative Affairs, testified in support #28948.

2:44 p.m. Christopher Scott, ND Student Association, testified in support #28899.

2:51 p.m. Leslie Wietstock, VP for Finance and Administration at Dickinson State University, testified in support #29029.

2:58 p.m. Maxwell Eriksrud, Student at UND, testified in support #28985.

Additional written testimony:

Brent Sanford, President of the Bismarck State Collage, North Dakota's Polytechnic Institution, testimony in support #28955.

3:02 p.m. Chairman Heinert closed hearing.

Leah Kuball, Committee Clerk



HB 1128

House Education Committee

January 14, 2025

David Krebsbach, Vice Chancellor for Administrative Affairs/CFO

North Dakota University System

701-328-4116 | David.krebsbach@ndus.edu

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.

**HB 1128**January 14th, 2025

Christopher Scott, North Dakota Student Association

701-340-3380 | Christopher.m.scott@ndus.edu

Chair Heinert and members of the committee: my name is Christopher Scott, and I am the current Policy, Advocacy and Research Director for the North Dakota Student Association. I am here to express the NDSA's support for HB 1128.

The North Dakota Student Association (NDSA) is a student organization established in 1969 that is dedicated to ensuring that students have a voice in policy that affects Higher Education. The NDSA consists of delegates from each of the 11 public institutions that meet monthly to engage students in Higher Education policy in North Dakota. Our mission is to empower students, foster collaboration between students across campuses in the North Dakota University System, and to advocate on issues of higher education in support of access, affordability, quality, and the student experience.

In the past year, NDUS institutions have raised concerns about the quality of residence halls across the University System. Many of these residence halls were built during the 1960s and 1970s and have seen few, if any major, renovation over the last several decades. As a result, these buildings have aged and have begun to develop a multitude of issues. However, NDUS institutions have had few options in ways to acquire funding to renovate these halls as state funds allocated by the state cannot be used for auxiliaries such as student dining and housing.

In response to these concerns, the NDSA passed [NDSA-02-2425](#): A Resolution in Support of Appropriating State Funds for the Improvement of On-Campus Housing. This resolution highlights 4 major issues that most NDUS institutions have with campus housing: deferred maintenance, building capacity, building security, and student housing needs. The poor condition

of residence halls has affected NDUS recruitment efforts, since many of these buildings are no longer enticing to incoming students. At the present time, most NDUS institutions require students to live in on-campus housing throughout their first year.

Additionally, many of these older residence halls have raised concerns for safety and security. Many of the older NDUS residence halls have little to no security measures and have fewer cameras compared to academic buildings, all of which create a security risk for students.

These issues are not new. During the last legislative session, I served as the NDSA President and in this role I had the opportunity to visit all eleven NDUS colleges and universities. I have seen firsthand the conditions of many of the old residence halls across the NDUS. During these visits, there were comments to the NDSA Executive Team about the conditions of the residence halls from students across the NDUS.

In addition to this, during my time at Minot State University, I lived on campus for 3 years in their residence halls. When I first came to Minot State, I purposely chose a suite-style residence over a community-style residence hall due to the age and the conditions of the community-style residence halls that were older and in worse condition compared to the suite-style residence halls. During my time there, Minot State shut down one of their residence halls, Dakota Hall, due to the age and the ongoing issues in the building. The residence hall that I had lived in at the time experienced plumbing issues and would often cause rooms to be flooded. Minot State had looked at doing major renovations to Cook Hall, one of their community style residence halls, but then backed away due to discovering that if the building was to be renovated, it would need to also be brought up to the current building code. This added a million dollars to the cost of renovation.

One of the other NDSA delegates, Connor Mumaw of NDSCS wanted to add some comments to this testimony and is quoted as follows “I am an SRA in Nordgaard Hall at NDSCS and there are residence halls that need repair. We have two resident halls sitting empty and vacant on our campus because they have asbestos, and nothing could be done with them because it would be too expensive. During a spring move in, Nordgaard Hall had 1 of our elevators break twice in 1 day. Robertson Hall has no air conditioning, and during September the heat caused a girl to overheat and have a seizure. Nordgaard hall had extremely touchy fire alarms and go off at least once a month. There are no cameras in the stairwell, which means we cannot catch any incidents in the stair well and when I asked about the idea of putting them in the stair wells, they said it

would be too expensive. In Robertson the doors are weak enough where you can pull it hard, they will open without scanning your card. The electrical system in Robertson runs on fuses that are so old it is out of code. There are very few security cameras that overlook our resident hall parking lots and if there is a camera that faces that lot, we would be lucky if it works. My car was keyed and defaced with awful slurs with dirt and nothing was done because there was no camera facing it. We had a fight in Robertson which when we went to investigate it, we found there were only 2 cameras that caught it because 4 other cameras didn't work. There are no PA speakers to announce emergencies in Walton and Schultz Halls. The freight elevator in Walton Hall is so old that no one knows how to work on them, and it breaks down frequently and needs to be renovated. The plumbing in Walton Hall needs renovations because the drains clog and flood the hall and least once per year”.

HB 1128 gives institutions another option to use when looking at renovating residence halls and other auxiliaries, would improve NDUS recruitment efforts, offer better living conditions for students in the residence halls and would increase the overall quality of student life for students living on campus. However, HB 1128 presently only allows for 25 million dollars from the Bank of North Dakota for loans to update auxiliaries, thus limiting the benefits of HB 1128. And so, while the NDSA supports HB 1128, we also would like to ask for an increased overall loan limit for this bill, to allow more opportunity for more auxiliaries to be updated, increasing HB 1128's overall positive impact. And so, for the above reasons, on behalf of the NDSA, I would ask for a DO PASS recommendation on this bill from the committee.

2025 HB 1128

House Education Committee

Representative Pat Heinert, Chairman

January 14, 2025

Chairman Heinert and members of the House Education Committee, I am Leslie Wietstock, Vice President for Finance and Administration at Dickinson State University (DSU). I am here to testify in support of House Bill 1128. I ask that you give this bill a **Do Pass** recommendation.

House Bill 1128 could not have been presented at a better time than now for DSU. A number of years ago, renovation was started on Woods Hall, a residence hall on the campus of DSU. Unfortunately, of the 3 floors plus the lower level, only the second floor and a portion of the first floor was completed. During this project, demolition was done to all the floors of the building, so when the project stopped, the 3rd floor, $\frac{3}{4}$ of the 1st floor and the lower level was left unusable.

A project has been developed to complete the renovation at an estimated cost of \$7.5 million. Given the status of the project, we would ask the Legislature to consider adding an emergency clause to it, so that DSU could apply for loan funding prior to July 1.

The option for a university to make application to the Bank of North Dakota for a loan to fund the project would lower the costs of issuance and the number of regulatory requirements that come with revenue bonds.

I appreciate the opportunity to appear before you today in support of HB1128 and would be more than happy to stand for any questions.

HB 1128
January 14th, 2025
Maxwell Eriksrud,
612-434-0318, Maxwell.eriksrud@ndus.edu

Chair Heinert and members of the Committee, my name is Maxwell Eriksrud, and I am a junior at the University of North Dakota (UND). Thank you for the opportunity to express my support for HB 1128.

On move-in day in 2022, I had no idea I'd meet some of the people who are now my closest friends. One of those people was my freshman roommate, who recently invited me to be part of his wedding. It was such an honor to celebrate that special day with him, and it reminded me of the lasting bonds we built here at UND starting in Walsh Hall.

Looking back, I can confidently say that the residence halls and student services at UND have had a profound impact not just on me but on countless other students. These facilities play a pivotal role in fostering community, building relationships, and creating a sense of belonging. The modern residence halls and supportive services provide students with a strong foundation for their academic and personal success. They contribute to an environment where students feel valued, welcomed, and empowered to succeed.

As a student tour guide and ambassador for UND, I have the privilege of sharing my experiences with prospective students. I often emphasize the power of first impressions. During my college search, I toured seven different universities. It was my mother, a proud UND alumna, suggested that we visit UND one summer on our way to our family farm. At first, I agreed with little enthusiasm, thinking mainly about its proximity to our farm.

However, everything changed when I arrived on campus. I was immediately welcomed by friendly students and staff, and I saw the incredible new facilities under construction. Walking through campus, I felt the difference these beautiful spaces made, and that positive first impression ultimately shaped my decision to become part of UND.

By approving this bill, you will not only invest in the future of our campuses but also in the future of our state. It's important to recognize how facilities shape students' perceptions of North Dakota, both for in-state students and those coming from out of state like me. For in-state students, modern and well-maintained facilities affirm pride in their home state. For out-of-state students, they create an image of North Dakota as a place of opportunity and innovation—a place worth calling home long after graduation.

Through my involvement within the North Dakota University System, I have been able to travel to many other campuses and have found that unfortunately, as things stand, some facilities fail to showcase the best of what North Dakota has to offer. By providing low interest loan options to this institution, you will allow them access to needed capital to improve these facilities.

However, I have some concerns with the 25 million cap. I understand that we wouldn't want each institution to borrow money at the same time starting right after this bill would be approved. However, over a 5–10 year period I believe that the 25 million would inhibit the needed renovations on these campuses, and would likely cause unwanted conflicts between the institutions as to who should receive the needed loans.

That said, I believe this bill has the potential to make a profoundly positive impact on students. By modernizing and improving campus facilities, we can ensure that every student who steps onto one of our campuses feels welcomed, inspired, and excited about the opportunities North Dakota holds for them. To help students like me become lifelong North Dakotans, I strongly encourage you to amend this bill to address the funding cap while maintaining its vision of creating a better future for higher education in our state.

Mr. Chairman and members of the committee,

I am Brent Sanford and it's my great fortune to be president of Bismarck State College, North Dakota's Polytechnic Institution. Thank you for the opportunity to address you today in support of House Bill 1128, which seeks to create a Higher Education Infrastructure Revolving Loan Fund.

This bill is critical for ensuring that our higher education institutions can continue to provide the best possible environment for learning, growth, and community. As our institutions grow and evolve, so too must the facilities that support them, particularly our student residence halls. House Bill 1128 addresses the pressing need for investments in these critical spaces, and I stand before you today to outline why this bill is essential.

First and foremost, the bill proposes a revolving loan fund specifically designed to support the construction of new residence halls and the repair of existing ones. Residence halls are the heart of our campuses, providing students with safe and living spaces that are integral to their academic success. Yet, as many of us know, maintaining and improving these facilities comes with a significant cost.

Inflation has been rising, and with it, the cost of construction materials and repair services. The longer we wait to address these issues, the more expensive they become to fix. Without timely action, we risk compromising the safety of our students. House Bill 1128 proposes a proactive and efficient solution to address these rising costs by establishing a fund that will allow institutions to access affordable loans to make necessary repairs and improvements, while also allowing for the construction of new student housing to meet increasing demand.

Moreover, by providing a sustainable revolving loan fund, we are creating a financial mechanism that will continue to support our institutions over time. As loans are repaid, funds will be replenished and available for future projects, creating a long-term solution to address our institutions' ongoing needs.

The impact of this bill extends beyond the walls of residence halls—it is an investment in our state's economy. By supporting the construction and repair of college housing, we are creating jobs, stimulating local economies, and ensuring that our institutions remain competitive in the ever-changing landscape of higher education.

I urge all of you to support House Bill 1128. It is a smart, sustainable, and forward-thinking solution to a problem that impacts the success of our students and the growth of our higher education institutions. Let us invest in our future and provide our students with the resources they need to succeed.

Thank you.

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1128
1/21/2025

Relating to a higher education infrastructure revolving loan fund; to provide an appropriation; and to provide a transfer.

2:06 p.m. Chairman Heinert called the hearing to order.

Members Present: Chairman Heinert, Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Heilman, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Discussion Topics:

- Committee action

2:09 p.m. Vice Chair Schreiber- Beck moved to adopt amendments 25.0317.02001 and rereferred to appropriations.

2:09 p.m. Representative Marschall seconded the motion.

Representatives	Vote
Representative Pat D. Heinert	N
Representative Cynthia Schreiber-Beck	Y
Representative Liz Conmy	Y
Representative LaurieBeth Hager	Y
Representative Patrick R. Hatlestad	N
Representative Dori Hauck	Y
Representative Matthew Heilman	Y
Representative Jim Jonas	Y
Representative Donald W. Longmuir	N
Representative Roger A. Maki	N
Representative Andrew Marschall	Y
Representative Desiree Morton	N
Representative Anna S. Novak	Y
Representative Doug Osowski	N

Motion Passed: 8-6-0

Bill Carrier: Representative Hager

2:11 p.m. Chairman Heinert closed the hearing.

Leah Kuball, Committee Clerk

January 22, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1128

Introduced by

Representatives Richter, Sanford, Swiontek

Senators Sickler, Sorvaag

1 A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century
2 Code, relating to a higher education infrastructure revolving loan fund; to provide an
3 appropriation; ~~and~~ to provide a transfer; and to provide for a legislative management report.

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

5 **SECTION 1.** A new section to chapter 6-09 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Higher education infrastructure revolving loan fund - Continuing appropriation.**

- 8 1. The higher education infrastructure revolving loan fund is a special fund in the state
9 treasury from which the Bank of North Dakota shall provide loans to institutions under
10 the control of the state board of higher education for auxiliary enterprise infrastructure
11 projects. The Bank shall administer the higher education infrastructure revolving loan
12 fund. The maximum term of a loan made under this section is the lesser of twenty
13 years or the useful life of the project. A loan made from the fund under this section
14 must have an interest rate that does not exceed three and one-half percent per year.
- 15 2. For purposes of this section, "auxiliary enterprise infrastructure projects" means capital
16 construction projects to construct new infrastructure or replace or renovate existing
17 infrastructure, for student housing, student dining, and centralized campus heating.
- 18 3. In processing institution loan applications under this section, the Bank shall calculate
19 the maximum outstanding loan amount per qualified applicant. A qualified applicant
20 under this section may have no more than a maximum combined total of ten million

RS
2.52

dollars in outstanding loans under this section. The Bank shall consider the applicant's ability to repay the loan when processing the application and shall issue loans only to applicants that provide reasonable assurance of sufficient future income to repay the loan.

4. The Bank shall deposit in the higher education infrastructure revolving loan fund all payments of interest and principal paid under loans made from the higher education infrastructure revolving loan fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs which may not exceed one-half of one percent of the amount of the interest payment. All moneys transferred to the fund, interest upon moneys in the fund, and payments to the fund of principal and interest are appropriated to the Bank on a continuing basis for administrative costs and for loan disbursement according to this section.

5. The Bank may adopt policies and establish guidelines to administer this loan program in accordance with the provisions of this section and to supplement and leverage the funds in the higher education infrastructure revolving loan fund. Additionally, the Bank may adopt policies allowing participation by local financial institutions.

**SECTION 2. APPROPRIATION - TRANSFER - HIGHER EDUCATION
INFRASTRUCTURE REVOLVING LOAN FUND - LEGISLATIVE MANAGEMENT REPORT -
ONE-TIME FUNDING.**

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000,000, which the office of management and budget shall transfer to the higher education infrastructure revolving loan fund during the biennium beginning July 1, 2025, and ending June 30, 2027. This appropriation is considered a one-time funding item.

2. The North Dakota university system shall provide a report to the legislative management by September 1, 2026, regarding the status of the loan fund and any financial benefits realized by students attending institutions of higher learning utilizing the higher education infrastructure revolving loan fund.

**REPORT OF STANDING COMMITTEE
HB 1128**

Education Committee (Rep. Heinert, Chairman) recommends **AMENDMENTS** ([25.0317.02001](#)) and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (8 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). HB 1128 was placed on the Sixth order on the calendar.

2025 HOUSE APPROPRIATIONS

HB 1128

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1128
2/6/2025

A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to a higher education infrastructure revolving loan fund; to provide an appropriation; to provide a transfer; and to provide for a legislative management report.

9:09 a.m. Chairman Vigesaa called the meeting to order.

Members Present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Universities in North Dakota
- Loan Funds
- College buildings

9:09 a.m. Representative Heinert, North Dakota Legislature, introduced the Bill.

9:16 a.m. Chairman Vigesaa closed the meeting.

Sierra Schartz, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1128
2/6/2025

A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to a higher education infrastructure revolving loan fund; to provide an appropriation; to provide a transfer; and to provide for a legislative management report.

11:05 a.m. Chairman Vigesaa called the meeting to order.

Members Present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Universities in North Dakota
- Loan Funds
- College Buildings

11:27 a.m. Representative Richter motions a Do Not Pass.

11:27 a.m. Representative Swiontek seconded.

11:27 a.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	A
Representative Brandy L. Pyle	Y

Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

Motion passed 22-0-1.

Representative Sanford will carry the bill.

11:29 a.m. Representative Louser motioned for Bill to be placed on Consent Calendar.

11:29 a.m. Representative Stemen seconded.

11:30 a.m. Voice Vote - motion passed.

11:30 a.m. Chairman Vigesaa adjourned the meeting.

Sierra Schartz, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1128 ([25.0317.03000](#))**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **DO NOT PASS** and **BE PLACED ON THE CONSENT CALENDAR** (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1128 was placed on the Tenth order on the calendar.