Prepared by the North Dakota Legislative Council staff for the Higher Education Committee
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CAREER AND TECHNICAL EDUCATION AND ACADEMIC SCHOLARSHIP PROGRAMS - ESTIMATED COST TO INCREASE AWARD AMOUNTS

SCHOLARSHIP PROGRAMS

The Legislative Assembly in 2009 enacted legislation to create the career and technical education and academic scholarship programs. The legislation established eligibility criteria for the scholarship programs in North Dakota Century Code Chapter 15.1-21, and the criteria were subsequently adjusted by the Legislative Assembly in 2011. The current eligibility requirements provide that a student must be a resident of the state and meet the following program requirements for one of the programs as follows:

Career and Technical Education Scholarship	Academic Scholarship
Complete four units of English language arts	Complete four units of English language arts
Complete three units of mathematics, including one unit of algebra II and two units of other mathematics	Complete one unit of algebra II and one unit of mathematics for which algebra II is a prerequisite
Complete three units of science	Complete three units of science
Complete three units of social studies	Complete three units of social studies
Complete one unit of physical education or one-half unit of physical education and one-half unit of health	Complete one unit of physical education or one-half unit of physical education and one-half unit of health
Complete two units of a coordinated study plan as recommended by the Department of Career and Technical Education	Complete two units of the same foreign language, Native American language, or sign language
Complete one unit selected from foreign language, Native American language, American sign language, fine arts, or career and technical education	Complete one unit selected from foreign language, Native American language, American sign language, fine arts, or career and technical education
Complete five additional units, two of which must be in the area of career and technical education	Complete any five additional units, one of which must be in the area of fine arts or career and technical education
Obtain a cumulative grade point average at least 3.0 on a 4.0 grading scale for all courses taken or only for courses taken that are required for the scholarship	Obtain a cumulative grade point average at least 3.0 on a 4.0 grading scale for all courses taken or only for courses taken that are required for the scholarship
Obtain a grade of at least "C" in each unit or one-half unit required for the scholarship	Obtain a grade of at least "C" in each unit or one-half unit required for the scholarship
Receive a composite score of at least 24 on the ACT or a score of at least five on each of three WorkKeys assessments	Receive a composite score of at least 24 on the ACT
	Fulfill one unit required for the scholarship through an advanced placement course or fulfilled one-half unit required for the scholarship through a dual-credit course

Any student that meets the requirements for a career and technical education scholarship or an academic scholarship is eligible to receive a scholarship of $750 per semester, or $500 per quarter, for each period the student is enrolled full time at a North Dakota higher education institution and maintains eligibility up to a maximum amount of $6,000. Scholarships may be provided to students for up to six years following the student's graduation from high school and cannot be used for graduate programs.

The following schedule details appropriations made by the Legislative Assembly for the programs during the 2009-11 and 2011-13 bienniums:

Biennium	General Fund Appropriation
2009-11	$3 million
2011-13	$10 million

Due to the number of recipients being less than anticipated, the North Dakota University System currently estimated that only $7.4 million of scholarships will be awarded during the 2011-13 biennium.

ESTIMATED COSTS TO INCREASE SCHOLARSHIP AWARD AMOUNTS

The University System provided information regarding the estimated cost to continue the career and technical education and academic scholarship program annual award amounts of $1,500, the estimated cost to increase the scholarship award amounts to $3,000 annually, and the estimated cost to pay for total tuition costs for eligible scholarship recipients.

The table below summarizes the estimated biennial costs of the scholarship programs based on current and increased annual award amounts.

Biennium	Continue $1,500 Award Amount	Increase Award Amount to $3,000[1]	Increase Award Amount to Cost of Tuition[1,2]
2013-15	$13,361,944	$18,992,944	$28,135,457
2015-17	$17,033,866	$30,232,419	$53,945,057
2017-19	$19,485,145	$38,599,976	$77,247,036
2019-21	$21,233,583	$42,467,165	$90,555,824

[1]Estimates are based on increasing scholarship award amounts to new recipients only.

[2]Based on average undergraduate tuition charges at each institution type, students are enrolled in 15 credit-hours per semester, tuition will increase at a rate of 3 percent annually after the 2013-15 biennium, and enrollment percentages at each institution type will remain the same. Anticipates that scholarships for students enrolled at private institutions are limited to an amount equal to the highest tuition rate charged by a University System institution.