

**2023 HOUSE APPROPRIATIONS**

**HB 1033**

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1033  
1/16/2023

A BILL for an Act to amend and reenact subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-48.1, subdivision c of subsection 1 of section 15-10-49, and section 15-10-53 of the North Dakota Century Code, relating to matching grants for the advancement of academics at institutions of higher education; and to provide an appropriation

**9:15 AM Vice Chairman Swiontek** opened the meeting.

Members present: Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

Members absent: Chairman Nathe

### Discussion Topics:

- Challenge Grant introduction
- Private universities included in Challenge Grant
- Eligibility of Challenge Grant

**Representative Sandford** - spoke in favor of HB 1033

**David Krebsbach, Vice Chancellor of Administrative Affairs NDUS** - spoke in favor of HB 1033.

**DeAnna Carlson Zink, CEO UND Alumni Association** – testified in support of HB 1033, testimony # 13264.

**David Cook, President NDSU** – spoke in favor of HB 1033.

**John Glover, President/CEO NDSU Foundation** – testified in support of HB 1033, testimony #13375.

**Dr. Polly Peterson, President University of Jamestown** – testified in support of HB 1033, testimony #13307.

### Additional written testimony:

#13301, #13331, #13374, #13394, #13423, #13434

**9:47 AM Vice Chairman Swiontek** adjourned the meeting.

Donna Lynn Knutson, Committee Clerk

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1033  
1/16/2023

A BILL for an Act to amend and reenact subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-48.1, subdivision c of subsection 1 of section 15-10-49, and section 15-10-53 of the North Dakota Century Code, relating to matching grants for the advancement of academics at institutions of higher education; and to provide an appropriation

**3:34 PM Chairman Nathe** opened the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

### **Discussion Topics:**

- Matching funds for UND and NDSU
- Private institutions ask to be included
- Capital construction

**Chairman Nathe** spoke in favor of HB 1033.

**Representative Hanson** spoke in favor of HB 1033.

**Representative Swiontek** spoke in favor of HB 1033.

**Representative Martinson** - spoke in favor of HB 1033

**Representative Richter** proposed amendment HB1033, testimony #14833, #14838

**3:48 PM Chairman Nathe** adjourned the meeting.

Donna Lynn Knutson, Committee Clerk

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations - Education and Environment Division Prairie Room, State Capitol

HB 1033  
2/10/2023

A BILL for an Act to amend and reenact subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-48.1, subdivision c of subsection 1 of section 15-10-49, and section 15-10-53 of the North Dakota Century Code, relating to matching grants for the advancement of academics at institutions of higher education; and to provide an appropriation.

11:18 AM Chairman Nathe

Members present: Chairman Nathe, Vice Chairman Swiontek,  
Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

### Discussion Topics:

- Committee action

**Representative Sanford** moved Do Not Pass on HB 1033.

**Representative Martinson** seconded.

### Roll call vote:

Representatives	Vote
Representative Mike Nathe	Y
Representative Steve Swiontek	Y
Representative Karla Rose Hanson	Y
Representative Bob Martinson	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y

**Motion carried 7-0-0.**

**11:20 AM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee Brynhild Haugland Room, State Capitol

HB 1033  
2/13/2023

Relating to matching grants for the advancement of academics at institutions of higher education; and to provide an appropriation.
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**6:58 PM Chairman Vigesaa-** Meeting was called to order and roll call was taken:

**Members present;** Chairman Vigesaa, Representative Kempenich, Representative B. Anderson, Representative Brandenburg, Representative Hanson, Representative Martinson, Representative Mitskog, Representative Mock, Representative Monson, Representative Nathe, Representative J. Nelson, Representative O'Brien, Representative Pyle, Representative Richter, Representative Sanford, Representative Schatz, Representative Schobinger, Representative Strinden, Representative G. Stemen and Representative Swiontek.

**Member not Present-** Representative Kempenich, Representative Bellew, Representative Meier and Representative Kreidt

### Discussion Topics:

- Committee Recommendation

**Representative Nathe-** Explains committee recommendation to add the education budget.

**Representative Nathe** Move for a Do not Pass.

**Representative J. Stemen** Seconds the motion.

Committee discussion

Roll call vote-

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	A
Representative Bert Anderson	Y
Representative Larry Bellew	A
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	A
Representative Bob Martinson	Y
Representative Lisa Meier	A
Representative Alisa Mitskog	Y

Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

**Motion Carries 19-0-4 Representative Sanford will carry the bill.**

**Chairman Vigesaa** Closed the meeting for HB 1033 @ 6:59 PM

*Risa Berube, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HB 1033: Appropriations Committee (Rep. Vigesaa, Chairman)** recommends **DO NOT PASS** (19 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). HB 1033 was placed on the Eleventh order on the calendar.

**TESTIMONY**

**HB 1033**



**Comments to the North Dakota House Appropriations – Education  
and Environment Division Committee  
Rep. Mike Nathe, Chair**

**Submitted by DeAnna Carlson Zink, CEO of the University of North Dakota  
Alumni Association and Foundation**

**Submitted January 16, 2023**

Chairman Nathe and members of the Committee, my name is DeAnna Carlson Zink and I serve as the CEO of the UND Alumni Association & Foundation. Thank you for allowing me to submit testimony regarding the North Dakota Challenge Fund.

I want to thank each member of the North Dakota Legislature for supporting this initiative in the past. The benefits have been far-reaching—every public college and university in the state has been able to directly impact students earning degrees that set them up for lifelong success.

With this public/private partnership, our donors are teaming with the state to inspire a world of change. Because many of the gifts are put into endowments, the Challenge Fund not only benefits current students, but will continue to shape public higher education in the state into the future.

Since the inception of the challenge fund in 2013, we at the UND Alumni Association and Foundation have utilized our entire \$22 million allocation from the state with \$44 million in gifts and commitments. Two out of every three gifts to the program have come from donors outside the state who want to invest in higher education in the great state of North Dakota.

400 unique donors have taken part in the North Dakota Challenge Fund program at UND. 251 endowments have received funding. That is an incredible impact on thousands of our students; leaders in action who are making a difference in the state, country, and world.

At the University of North Dakota, we have benefited by focusing on the University's strategic priorities and college-based initiatives—especially scholarships, endowed faculty positions, and academic programs. We have leveraged the challenge grant with our donors from all over the country. Here's the thing, donors have been motivated by this program. They've been so motivated, that they've given more than they originally intended once they learned of this public-private partnership. This program has been a tipping point for donors to give back and to give more.

I believe it is important that House Bill 1033 continue to provide funding for the UND School of Medicine & Health Sciences and the UND School of Law. These are unique professional schools within our state with distinctive needs who contribute to the workforce needs of North Dakota.

I urge you to consider the full \$50 million in Governor Burgum's budget for this program. With that level of funding, we'll be able to maximize donor impact and make higher education accessible to students from every walk of life. This is not just an investment in our state, it's an investment in our future.

At the University of North Dakota and the state's other institutions of higher learning, private giving is more important than ever. It is vitally important to have initiatives like this that support academic programs, endowed faculty positions, and scholarships to make colleges and universities accessible to students from every walk of life.

Thank you.

DeAnna Carlson Zink  
Chief Executive Officer  
University of North Dakota Alumni Association & Foundation  
deannac@undfoundation.org  
701.740.4682

January 16, 2023

Investing in North Dakota's Future Economy Through State Funded College Scholarships is a great concept. The state has launched recruiting efforts nationwide to attract out-of-state workers to fill job openings within the state, yet the effectiveness of these efforts and the contributions of these workers to the state's long-run economic growth remain largely uncertain. In addition to recruiting workers from elsewhere, the state has invested in human capital acquisition through its universities and colleges. During the 63rd legislative assembly, the state launched the North Dakota Higher Education Challenge Grant Program. I support the governor's proposal to invest 50 million in the Challenge Grant Program. A study done by the Challey Institute provides an estimate of the return on investment the state can expect to realize from this program using Modified Internal Rate of Return (MIRR), a well-documented methodology utilized in previous academic studies. Key Findings ❖ The study estimates and 9.4 to **11 percent rate of return** to the state from funding scholarships through the Challenge Grant Program. ❖ Similarly, the study estimates the present value of benefits exceed the present value of costs for the program by between \$310 million and \$590 million. It estimates that the present value of benefits is between 11 times and **20 times the present value of costs**. ❖ Benefits realized from this program are from three sources: ▪ Increases in state tax revenues resulting from higher incomes of residents due to more having college degrees ▪ Increases in lifetime earnings of residents due to more having college degrees ▪ Increases in state economic output due to more productive workers resulting from more with college degrees ❖ A sensitivity analysis shows that the rate of return from this program exceeds alternatives under reasonable conditions. ❖ The estimated rate of return between 9.4 and 11 percent is only for the public portion of the scholarship investment. To the extent that private dollars going into this program are incentivized by the public investment, the ROI to the public sector is much larger. Under an extreme assumption that no private dollars on these scholarships would be invested without the state program, the rate of return to the public sector investment would be between 11.5 and 13 percent. I support the use of credit hours to determine the funding available to the universities this seems a very equitable way to distribute the funds and would fix the very unequitable formula that was in place during the last session. I also favor just using these funds for scholarships to maximize the return to the state dollars. The rate of return of 11% annually on the public portion of the match if you add the private portion of the match it **would be 33%**. The stock market over the last 20 years has been about 9.5%. **Fifty million challenge grant investment would**

**produce 16.5 million annually. Cost benefit ratio of 20 to 1 on fifty million would produce 1 BILLION dollars.** That is big boy money. Please support the challenge grant at 50 million investing in work force development and human capital development. **50 million for 1 BILLION**



North Dakota House Appropriations Committee  
Education & Environment Division  
Chairman Mike Nathe  
January 16, 2023

**Re: House Bill 1033**

Chairman Nathe and members of the House Appropriations Education and Environment Committee,

My name is Dr. Polly Peterson, President of the University of Jamestown. I am speaking today in favor of the North Dakota challenge grant program, but with one amendment request. I would like to ask that for your consideration in adding the foundations of private, North Dakota-based universities as eligible applicants for this program. The reason is simple:

Students at the University of Jamestown are North Dakota students. They are North Dakota-educated. And they are needed to fill critical workforce needs across the state.

**Leveraging Private Donations**

The decision to include private, North Dakota-based universities in the challenge grant program would allow our foundation to further leverage contributions from individuals—just as the public institutions do. Even when a donor desires to give to the University of Jamestown’s foundation, ultimately, that same dollar given to a public university foundation is worth more. As we seek to raise funds from a highly overlapping and interconnected donor base, the University of Jamestown finds itself at a distinct disadvantage.

**The State Supports All Students**

Matching grant funding would not be the first public funding to support students at the University of Jamestown. Jimmie students access four of North Dakota’s seven scholarship offerings. In fact, a recent data pull from the NDUS office shows that between 2020-2022, a total of \$6.64 million, or 10% of North Dakota’s total scholarship funds, are going to students at the University of Jamestown, the University of Mary, and Trinity Bible College. On average, \$1.42 million is disbursed to U Mary students each year, \$718,000 to students at UJ, and \$72,000 to Trinity Bible College students. State dollars are already assisting private college students through our scholarship programs—because they are North Dakota students.

### Scholarships For ND Grads

The Matching Grants statute specifically supports “projects dedicated to the advancement of enhanced academics” which include investments in “research, scholarships, technology, endowed chairs, and educational infrastructure,” while excluding scholarships for the benefit of athletics, campus facility repair projects, and new capital construction. We propose including the University of Jamestown for projects dedicated exclusively to scholarships, thereby eliminating any question regarding the eligibility of private university participation in this program.

Further, we would propose an additional condition: that UJ’s matching fund scholarships be made available solely to graduates of North Dakota high schools. We believe funding for higher education in North Dakota should focus on funding students who are residents of North Dakota, and who attend a North Dakota college.

### Graduates for Workforce

The University of Jamestown has 1,275 students in 44 majors, 3 masters, and 1 doctoral program. UJ has approximately 250 employees and an economic impact in excess of \$110m. Our students are an integral part of our communities. Our retention of students in the state after graduation exceeds 70%. UJ students are graduating with degrees in nursing, elementary education, business administration, exercise science, secondary education, civil and mechanical engineering, biology, accounting, criminal justice, and computer science, to name a few of our top majors. These graduates are filling jobs in critical-need areas. When workforce challenges abound, we should be prioritizing every effort to retain our high school students at North Dakota institutions of higher ed.

### Leveraging \$1 Million

HB 1033 rightfully proposes to return the matching grant appropriation to near-original levels of funding at \$24 million. While the Governor boldly proposed doubling that to \$50 million, we are asking for a small portion of any final appropriation. The University of Jamestown believes it could harness \$1 million in challenge grant funding, to leverage \$2 million total in scholarships for its students.

In closing, I thank you for supporting this program over the past decade. Challenge grants are a wonderful tool for higher education in North Dakota. **We would greatly appreciate your consideration to include private institutions, for scholarship use only, for graduates of North Dakota high schools.**

Thank you for your time, and I would stand for any questions.

Dr. Polly Peterson  
President University of Jamestown

January 15, 2023

Chairman Nathe and Members of the Education and Environment Division of the ND House  
Appropriations Committee:

Thank you for creating the ND Higher Education Challenge Grant program and supporting it over the last decade. As a donor considering philanthropic options, we make decisions based on where we think the dollars can have the most positive impact and the Challenge Grant program moves supporting ND Higher Education to the top of the list. It is simply the most effective incentive program we have come across and we were pleased to have the opportunity to participate in the program.

I encourage you to support Governor Burgum's budget recommendation of \$50 million in funding to support the eleven NDUS schools. You have created and funded a program that results in a win-win situation for both students and for ND businesses counting on those students to provide the future workforce to grow their businesses.

Thanks for the opportunity to comment.

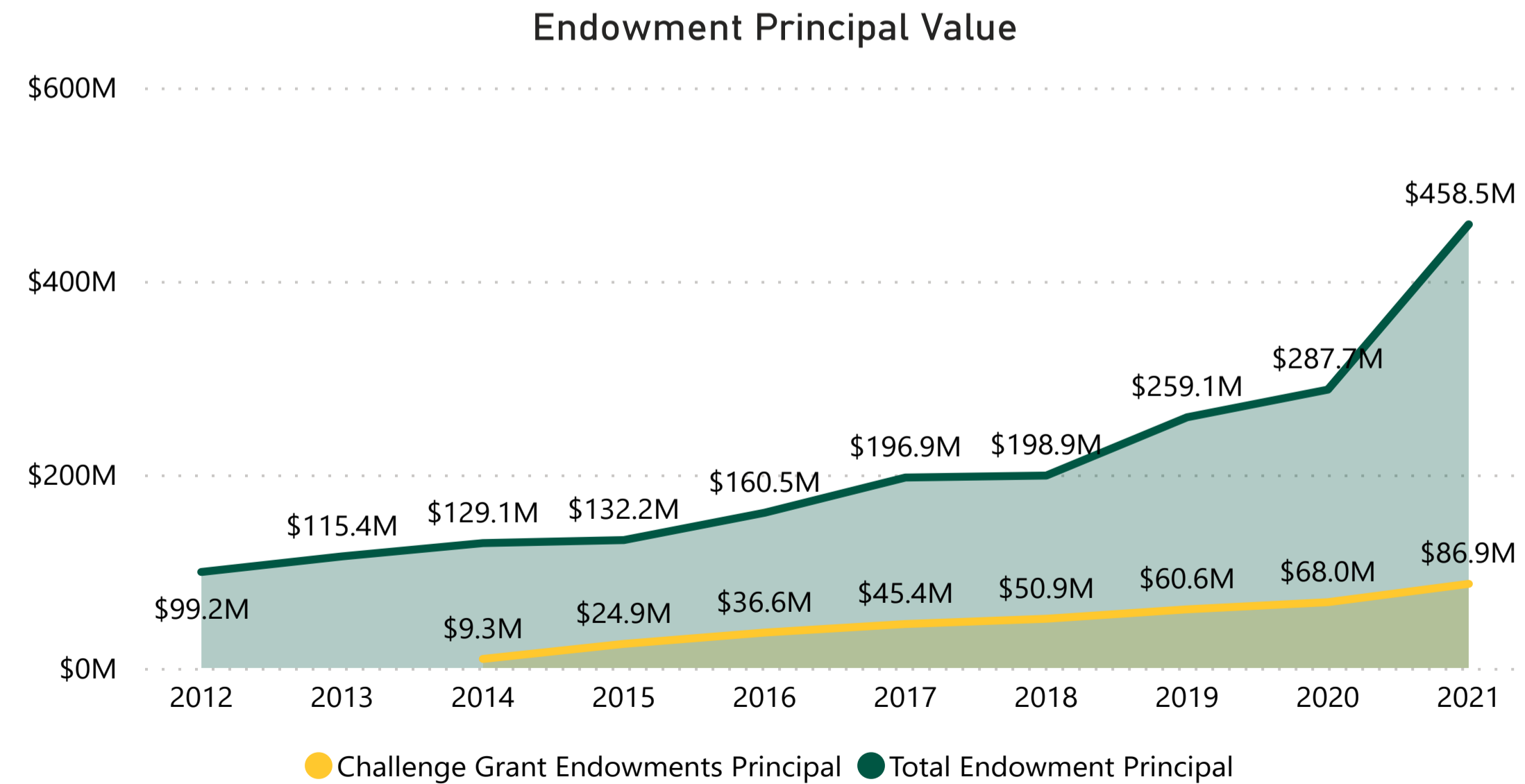
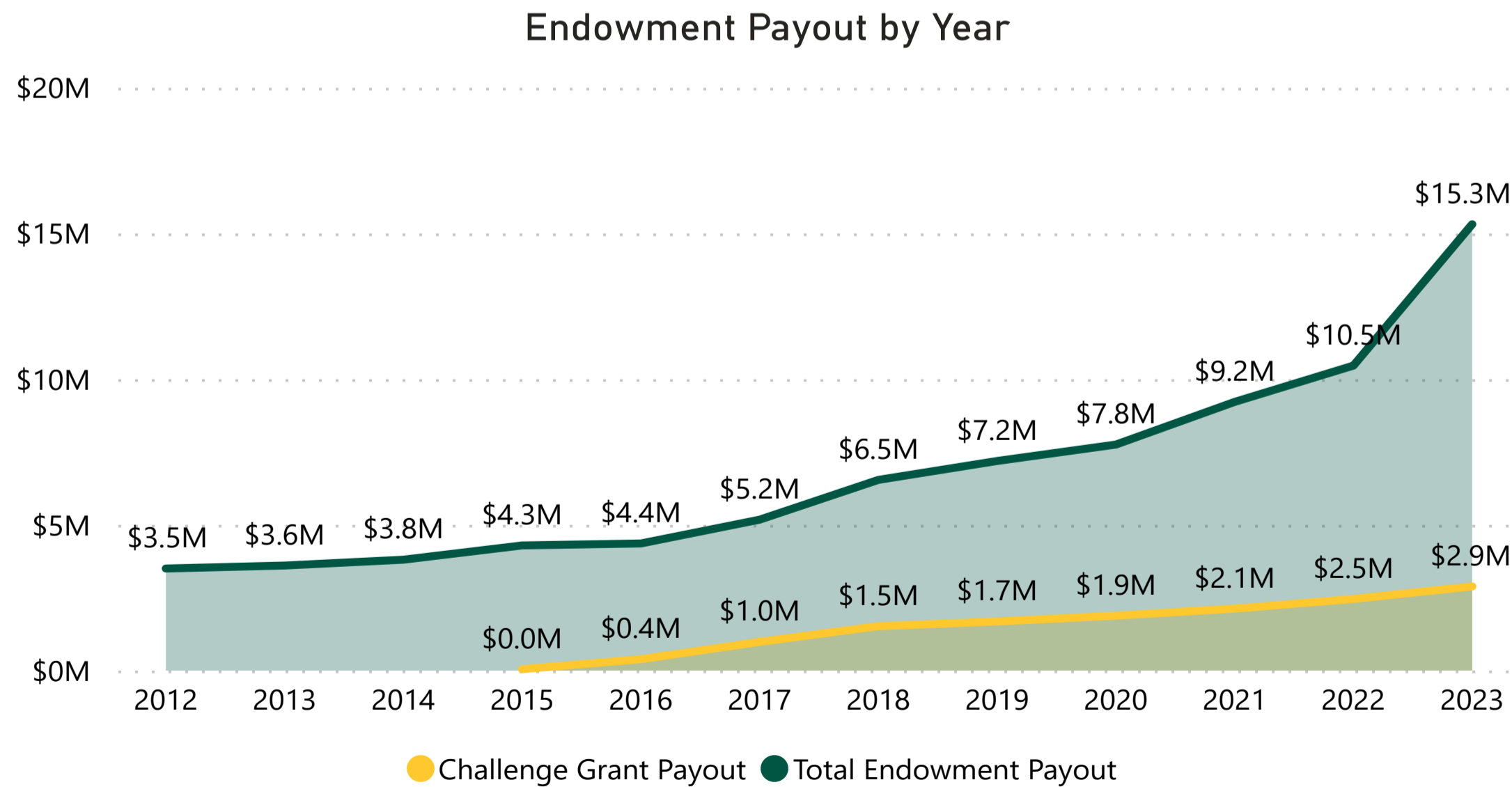
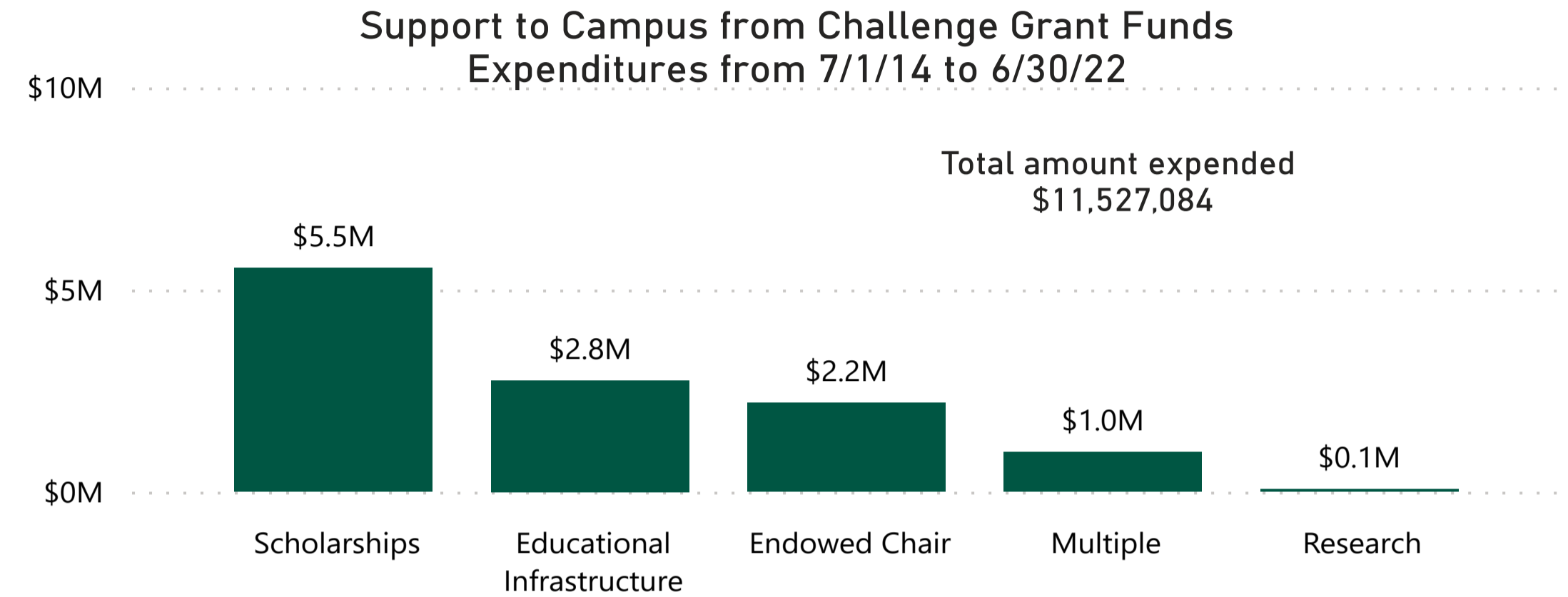
John Erickson



FOUNDATION

**North Dakota Higher Education Challenge Grant Fund  
Outcomes Report - January 2023**

Biennium	Private Donations	State Grant	Total
2013-2015	\$20,000,000	\$10,000,000	\$30,000,000
2015-2017	\$13,493,319	\$6,746,660	\$20,239,979
2017-2019	\$400,000	\$200,000	\$600,000
2019-2021	\$3,400,000	\$1,700,000	\$5,100,000
2021-2023	\$3,400,000	\$1,700,000	\$5,100,000
<b>Total</b>	<b>\$40,693,319</b>	<b>\$20,346,660</b>	<b>\$61,039,979</b>





**Comments to North Dakota House Appropriations – Education & Environment Division  
Committee  
Rep. Mike Nathe, Chair**

**Submitted by John R. Glover, President/CEO, North Dakota State University Foundation  
January 16, 2023**

Chairman Nathe and Members of the Committee,

For the record, my name is John Glover, President/CEO of the North Dakota State University Foundation. Thank you for the opportunity to provide testimony in support of House Bill 1033, the North Dakota Higher Education Challenge Grant Fund. In addition to my written remarks, please see the attached outcomes report, which summarizes four key financial indicators since the program's inception.

On behalf of the more than 400 benefactors who've participated since the program's launch, the 55 employees of the NDSU Foundation who work with our 100,000+ alumni and organizations every day, our students who receive scholarships, faculty who hold named positions and recent alumni who benefited from the financial resources while students, we enthusiastically support Governor Burgum's budget recommendation of \$50 million for the 2023-25 biennium.

We respectfully request an amendment to revise the bill's current appropriation from \$24 million to \$50 million. In addition, we respectfully request an amendment to once again, level the playing field with equitable funding for North Dakota's two research universities in NDSU and UND.

Let's talk about impact ...

Emma (Keller) Lavachek grew up in Velva, North Dakota and chose to pursue a civil engineering degree at NDSU. In 2014, the Volk Family Civil Engineering Scholarship received matching funds from the Challenge Grant. Emma received this scholarship during the 2016-17 year, helping her graduate in December 2017. She returned to western North Dakota after receiving a civil engineering job with a Minot firm. In just five years, Emma has planted deep roots in her home state. She's now married, bought a house in between Minot and Velva, volunteers in her communities, and worked on numerous projects of significance. She said she's most proud of her work on the Mouse River Enhanced Flood Protection Project and two sanitary sewer lift station replacement projects in her hometown. Her employer also asks her to help recruit new engineering talent, returning to NDSU's career fairs each year to find future workforce. She's making a difference in North Dakota.

Emma also said this, "I wish scholarship donors could see how their investment impacts students for years to come after graduation, it is truly a long-term investment in someone that can completely change the path they follow after graduation ... coming out of college with as little debt as possible opens up a whole set of different opportunities for people."

What better example is there to prove the value proposition of the Challenge Grant? It fuels the pipeline for the state's future workforce, bringing the public and private sectors together, and then we see the resulting impact of this state's emerging professional talent making a difference.

The NDSU Foundation's greatest key performance indicator is Support to Campus; dollars expended on campus to support donor intent. Since the Challenge Grant's beginning, more than \$11.5 million has been sent to campus to support scholarships, faculty, educational infrastructure, and programs from funds matched by the program. The infusion of capital dollars adds to the NDSU Foundation's overall endowment, which over time, produces a more aggressive investment allocation strategy, resulting in a stronger investment return and then increased payout to support the university. This increase helps reduce the financial burdens for our students, helping them graduate on time, carry smaller or no debt loads and invest more in our communities, just like Emma.

We love challenges, and our benefactors love partnering with public dollars to leverage impact on students, faculty, and programs, regardless of where they reside. More than 53% of our Challenge Grant donors to date have come from out of state. We have benefactors lined up to sign gift commitments on July 1 once this Legislature authorizes its appropriation. Let's offer up a really big number to challenge them!

And I'll reiterate what I've said to this committee previously ... this is a program where donors call us, not the other way around! We stand ready to take those calls and put your investment to work in helping solve the state's biggest challenges. Investing in the Challenge Grant is an investment in the state's workforce and economic future.

Thank you for the opportunity to testify in support of HB1033 and thank you for your service and support to North Dakota.

Regards,

John R. Glover, President/CEO  
NDSU Foundation  
Fargo, ND

**HB 1033**January 16<sup>th</sup>, 2023

Christopher Scott, North Dakota Student Association

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

Chair Nathe and Members of the Committee: My name is Christopher Scott, I am current President of the North Dakota Student Association, and I am writing this to express support for HB 1033, which allocates monies to the North Dakota Challenge Grant

The North Dakota Student Association is a student organization established in 1969 dedicated to ensuring that students have a voice at the table in policy that affects Higher Education. We consist of delegates from each of the 11 public institutions meeting monthly to engage students in ND Higher Education policy! Our mission is to empower students, create collaboration between the student bodies of the North Dakota public universities, and to give a student perspective on higher education policy!

Late last year, the NDSA passed a resolution [NDSA-07-2223](#), expressing its official support for this particular bill, which was then coming out of the North Dakota Interim Committee for Higher Education. This particular grant, since its inception last decade, has invested millions of dollars' worth of scholarships, and investments in research, technology and education and has provided countless thousands of students access to more affordable education.

In addition, this grant is a very powerful indispensable tool for universities when attracting donors, because of the matching dollars the state provides when private donors do donate! This grant creates a positive cycle where donors donate money for scholarships, and the state contributes funds to that institution which causes more donors to donate more money and the process repeats! For this upcoming biennium, it is proposed that the Challenge Grant to be raised to 24 million dollars, allocating 4 million dollars to NDSU and UND; 2 million for Minot State,

VCSU and BSC and the UND School of Medicine; 1.5 million to Mayville, VCSU and DSU; and finally, 1 million dollars each to WSC, LRSC, and DCB. And so in writing, I would like to express the NDSA's support for this bill and any subsequent proposals that increase the amounts currently allocated to the Challenge Grant, and oppose and decreases! Additionally, as a result of last session, the NDSA would also like to express that it opposes any amendments that attach partisan issues to the ND Challenge Grant and Higher Education! Please reach out to me if any of you have any questions!

**HB 1033**

January 16, 2023

Seth Lumley, NDSU Student Government

[seth.lumley@ndus.edu](mailto:seth.lumley@ndus.edu) – (507) 481-5510

Chairman Nathe and Members of the Committee: My name is Seth Lumley, and I am the Executive Commissioner of Legislative Affairs for North Dakota State University's Student Government. I would like to provide testimony in support of HB 1033 and to bring the perspective of NDSU students on HB 1033.

NDSU Student Government is an organization of students at NDSU elected and appointed to represent the interests of the NDSU student body both externally at places like the capitol and internally through our student senate. We are comprised of members from all academic colleges at North Dakota State University to ensure students from all majors and backgrounds have a voice. Our mission is to leave the university better than we arrived through ensuring that student perspectives are heard both on campus and here at the legislature.

Grants and scholarships make it possible for students in higher education to dedicate a much larger portion of their time to their studies than would otherwise be possible. Speaking from my own experience, grants and scholarships have allowed me to only need to seek part-time employment while attending NDSU. These grants and scholarships have played a direct hand in ensuring that I have the time and energy necessary to be the best student I can be and that I am as prepared as possible to enter the next chapter of my life after graduation. In speaking with current and recently graduated students across our state, it is clear to me that my experience is not unique. In short, I urge you to support HB 1033 to increase matching grants to students across the North Dakota University System to ensure North Dakota's students have the means necessary to equip themselves for the future. Thank you Chairman Nathe and Members of the Committee.

House Appropriations Committee - Education & Environment Division  
HB 1033 – Challenge Grant Funding - ND University System

January 16, 2023

Chairman Nathe and Committee Members

My name is Jeffry Volk. I am a retired President and CEO of Moore Engineering, Inc., a Civil Engineering and Land Surveying firm with multiple offices in North Dakota and Minnesota. I am a proud graduate from ND State University with a BS in Civil Engineering. I have spent my entire professional career as an engineering consultant in North Dakota. My testimony today is on behalf of my family.

We strongly support continued funding for the Challenge Grant. This funding model, with a two parts private to one part state money, is an excellent way to align the public and private interests to support post-secondary students and institutions in the ND University System. Our family utilized the Challenge Grant program to match our dollars to endow a Civil Engineering student scholarship at NDSU several years ago. We consider this decision and the Challenge Grant program a huge success.

Specifically to HB 1033, we would ask the legislature strongly consider funding the program at the \$50 million level as proposed in Governor Burgum's budget. We would also suggest funding for the program be distributed to the institutions with an eye towards enrollment numbers at the institutions. When institution enrollment is considered over the past several biennium's allocations, there is a significant variation between the institutions.

Thank you for your consideration and support.

Jeffry J Volk, PE  
1843 7<sup>th</sup> St E  
West Fargo, ND

23.0156.01002  
Title.

Prepared by the Legislative Council staff for  
the House Appropriations - Education and  
Environment Division Committee  
January 16, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1033

Page 1, line 3, after the first comma insert "subsection 2 of section 15-10-49,"

Page 2, after line 5, insert:

**"SECTION 4. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall prioritize available dollars allocated in paragraph 1 of subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 2 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 3 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of subsection 1.
- d. After considering applications pursuant to subdivision c, the board shall consider each application submitted under this subsection in chronological order.
- ~~e.~~ If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT**

This amendment provides for the prioritization of applications for challenge grant funds that have not been awarded by January 1 of each odd-numbered year.

**HOUSE BILL NO. 1033**

Introduced by

Legislative Management

(Higher Education Committee)

1 A BILL for an Act to amend and reenact subdivision c of subsection 1 of section 15-10-48,  
2 subdivision c of subsection 1 of section 15-10-48.1, subdivision c of subsection 1 of section  
3 15-10-49, subsection 2 of section 15-10-49, and section 15-10-53 of the North Dakota Century  
4 Code, relating to matching grants for the advancement of academics at institutions of higher  
5 education; and to provide an appropriation.

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

7 **SECTION 1. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North  
8 Dakota Century Code is amended and reenacted as follows:

9 c. The board may award up to ~~one million seven hundred thousand~~ four million  
10 dollars in matching grants each to the university of North Dakota and North  
11 Dakota state university; and up to ~~one million five hundred thousand~~ two million  
12 dollars in matching grants for projects at the university of North Dakota school of  
13 medicine and health sciences.

14 **SECTION 2. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48.1 of the  
15 North Dakota Century Code is amended and reenacted as follows:

16 c. The board may award up to ~~two hundred fifty thousand~~ five hundred thousand  
17 dollars in matching grants under this section.

18 **SECTION 3. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North  
19 Dakota Century Code is amended and reenacted as follows:

20 c. The board may award up to:  
21 (1) ~~Nine hundred fifty thousand~~ Two million dollars each to Bismarck state  
22 college, Minot state university, and the North Dakota state college of  
23 science;



1                   (2) ~~Seven hundred thousand~~One million five hundred thousand dollars each to  
2                   Dickinson state university, Mayville state university, and Valley City state  
3                   university; and

4                   (3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at  
5                   Bottineau, Lake Region state college, and Williston state college.

6                   **SECTION 4. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota Century  
7 Code is amended and reenacted as follows:

8                   2.    a.    If any available dollars have not been awarded by the board before January first  
9                   of each odd-numbered year, in accordance with subsection 1, any institution  
10                  listed in subsection 1 may apply for an additional matching grant.

11                  b.    An application submitted under this subsection must meet the same criteria as an  
12                  original application.

13                  c.    The board shall prioritize available dollars allocated in paragraph 1 of  
14                  subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of  
15                  subsection 1. The board shall prioritize available dollars allocated in paragraph 2  
16                  of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of  
17                  subsection 1. The board shall prioritize available dollars allocated in paragraph 3  
18                  of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of  
19                  subsection 1.

20                  d.    After considering applications pursuant to subdivision c, the board shall consider  
21                  each application submitted under this subsection in chronological order.

22                  d.e.    If the remaining dollars are insufficient to provide a matching grant in the amount  
23                  of one dollar for every two dollars raised by the institutional foundation, the board  
24                  shall award a lesser amount.

25                  **SECTION 5. AMENDMENT.** Section 15-10-53 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27                  **15-10-53. Definition.**

28                  For purposes of sections 15-10-48 through 15-10-52, projects dedicated to the  
29 advancement of enhanced academics include investments in research, scholarships,  
30 technology, endowed chairs~~faculty, new or expanding educational programs,~~ and ~~investments in-~~

1 educational infrastructure, but exclude scholarships intended solely for the benefit of athletics,  
2 campus facility repair projects, and new capital construction projects.

3 **SECTION 6. APPROPRIATION - STATE BOARD OF HIGHER EDUCATION - ONE-TIME**

4 **FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury,  
5 not otherwise appropriated, the sum of \$24,000,000, or so much of the sum as may be  
6 necessary, to the state board of higher education for the purpose of awarding matching grants  
7 for student scholarships and the advancement of academics at institutions of higher education,  
8 for the biennium beginning July 1, 2023, and ending June 30, 2025. The funding provided in this  
9 section is considered a one-time funding item.

23.0156.01001  
Title.

Prepared by the Legislative Council staff for  
the House Appropriations - Education and  
Environment Division Committee  
January 16, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1033

Page 2, line 12, overstrike ", but exclude scholarships intended solely for the benefit of athletics,"

Page 2, line 13, overstrike "campus facility repair projects, and new capital construction projects"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT**

This amendment removes the restriction that higher education challenge grant funds not be used for athletics, facility repairs, and new capital projects.

Introduced by

Legislative Management

(Higher Education Committee)

1 A BILL for an Act to amend and reenact subdivision c of subsection 1 of section 15-10-48,  
2 subdivision c of subsection 1 of section 15-10-48.1, subdivision c of subsection 1 of section  
3 15-10-49, and section 15-10-53 of the North Dakota Century Code, relating to matching grants  
4 for the advancement of academics at institutions of higher education; and to provide an  
5 appropriation.

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

7 **SECTION 1. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North  
8 Dakota Century Code is amended and reenacted as follows:

9 c. The board may award up to ~~one million seven hundred thousand~~four million  
10 dollars in matching grants each to the university of North Dakota and North  
11 Dakota state university; and up to ~~one million five hundred thousand~~two million  
12 dollars in matching grants for projects at the university of North Dakota school of  
13 medicine and health sciences.

14 **SECTION 2. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48.1 of the  
15 North Dakota Century Code is amended and reenacted as follows:

16 c. The board may award up to ~~two hundred fifty thousand~~five hundred thousand  
17 dollars in matching grants under this section.

18 **SECTION 3. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North  
19 Dakota Century Code is amended and reenacted as follows:

20 c. The board may award up to:

21 (1) ~~Nine hundred fifty thousand~~Two million dollars each to Bismarck state  
22 college, Minot state university, and the North Dakota state college of  
23 science;

1                   (2) ~~Seven hundred thousand~~One million five hundred thousand dollars each to  
2                   Dickinson state university, Mayville state university, and Valley City state  
3                   university; and

4                   (3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at  
5                   Bottineau, Lake Region state college, and Williston state college.

6                   **SECTION 4. AMENDMENT.** Section 15-10-53 of the North Dakota Century Code is  
7                   amended and reenacted as follows:

8                   **15-10-53. Definition.**

9                   For purposes of sections 15-10-48 through 15-10-52, projects dedicated to the  
10                  advancement of enhanced academics include investments in research, scholarships,  
11                  technology, endowed ~~chairs~~faculty, new or expanding educational programs, and ~~investments in~~  
12                  educational infrastructure, ~~but exclude scholarships intended solely for the benefit of athletics,~~  
13                  ~~campus facility repair projects, and new capital construction projects.~~

14                  **SECTION 5. APPROPRIATION - STATE BOARD OF HIGHER EDUCATION - ONE-TIME**  
15                  **FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury,  
16                  not otherwise appropriated, the sum of \$24,000,000, or so much of the sum as may be  
17                  necessary, to the state board of higher education for the purpose of awarding matching grants  
18                  for student scholarships and the advancement of academics at institutions of higher education,  
19                  for the biennium beginning July 1, 2023, and ending June 30, 2025. The funding provided in this  
20                  section is considered a one-time funding item.