

FISCAL NOTE
Requested by Legislative Council
12/19/2014

Bill/Resolution No.: SB 2074

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$600,000		\$600,000	
Appropriations			\$600,000		\$600,000	

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Changes ND Scholarship program eligibility from 12 credit hours a semester for an external experience to a total of 12 semester hours, with the external experience being no less than 6 of those total hours.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Potential increase in student eligibility of about 200 students per year at \$1,500 each, generally for one year in junior or senior year as they complete external experience(s).

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

None

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Estimated 200 additional eligible students at \$1,500 each or \$300,000 per year cost increase.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Estimated 200 additional eligible students at \$1,500 each or \$300,000 per year cost increase.

Name: Laura Glatt

Agency: ND University System Office

Telephone: 701-328-4116

Date Prepared: 01/05/2015

2015 SENATE EDUCATION

SB 2074

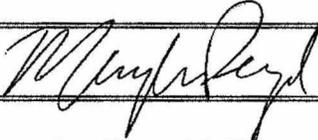
2015 SENATE STANDING COMMITTEE MINUTES

Education Committee
Missouri River Room, State Capitol

SB 2074
1/14/2015
Job # 21955 (22:45)

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

relating to the scholarship eligibility of students enrolled in external experiences.

Minutes:

Attachments #1-3

Chairman Flakoll called the committee to order at 10:30am with all committee members present.

Joan Heckaman, District 23 Senator (*see attachment #1*)

Senator Heckaman: this came about as a result from last session. I made a commitment to a conference committee that we were not sure how many programs there were across the university system that had external experiences that were under the requirement of 15 credits so that students could not get their scholarship for a certain semester. I am very pleased to say that the University system did great work on this and will be presenting later on the information they have gathered. They will present later on today, our intention is not to penalize anyone with the programs that the Universities require are far as internships and experiences outside the classroom settings. We want this to be available to all students.

Senator Oban: If you have an overachieving student who goes into student teaching for his or her last semester, they would be disqualified from getting their scholarship if they didn't take any classes beyond their student teaching because those 6 credits wouldn't total 12.

Senator Heckaman: It depends what the requirements are in that specific program. The intention is if the student teaching requirements don't meet the criteria for this, there's an opportunity for them to take a class. It doesn't say it has to be in the classroom. It could be online to make up those credits.

Senator Oban: However if they have already taken additional credits leading up to that point, it would put them at essentially the same required number of credits to be 15 credits per semester. If they take additional credits for the three years prior, they're likely still at the same total as what would be required for this.

Senator Heckaman: The University System has done research and will answer this question.

Chairman Flakoll: They are required to take 12 credits the first year and 15 thereafter to qualify

Senator Heckaman: Correct.

Chairman Flakoll: So essentially we're looking generally towards upper-class students in a 4 year institution?

Heckaman: I'm not sure about the teacher education programs that are out right now if during their freshman or sophomore year they require them to go out and do some observations outside or what those credits are. Again the University System will have answers to those questions.

(6:10) **Brenda Zastoupil**, Director of Financial Aid for the North Dakota University System
(see attachment #2 & #3)

(9:15) **Senator Oban:** If a student has taken 18 or 19 credits per semester leading up to the last semester of their senior year when they would for example be doing a student teaching experience which is only worth 6 credits, would they be discredited?

Zastoupil: That is correct. Currently an external experience has to be 12 credits to qualify. After the first year, 15 credits is a requirement. There is an exception in law put in place last session that the last semester students only need to maintain 12 credits. 12 is the minimum regardless, so a student taking only 6 credits would never qualify. Enrollment verification is done at Census state, so we are awarding these scholarships for enrollment in at least 12 credits for the first two semesters and 15 credits thereafter. We do not consider credits that are taken over the 12 or 15 credits, summer semesters or dual and AP credits taken before the students enter the university. We are awarding for enrollment and not completion. A student who may have advanced in the first 4 semesters and taken 17 credits each semester, we are looking at 15 in the following terms regardless.

(11:12) **Senator Davison:** On page 3, section "A", does adding the term "quarter system" mean that you didn't have the ability to go to the Board of Higher Education to ask for exemption to meet this qualification?

Zastoupil: The "quarter" is placed in there for Rasmussen College.

Senator Davison: So you couldn't go the State Board of Higher Education to ask for a similar amount determined for credits?

Zastoupil: Correct. It was only if you were in quarter schools, and they are on 12 credits as full time. We had been talking about the practicums. Those have not traditionally been the problem degrees. In fact the ones who have qualified are the education students because those practicums are generally 12 credits, and that is all they are doing that semester. We see nursing students who have significant clinical hours plus outside and inside classroom work. There are a number of students such as nursing who take a significant credit load through clinical, but the clinical is not worth 12 credits. We're looking to benefit them through this.

(15:08) **Chairman Flakoll:** What about summer internships that are not directly related to their major? We want them to graduate in a timely fashion.

Zastoupil: The 15 credits is an excellent component to this because it advances them. The summer credits are not acknowledged. We disburse the scholarship for fall and spring semester only, a traditional academic year. For Rasmussen, it is the fall, winter, and spring quarter.

Chairman Flakoll: What about the students who take internships in the summer and yet register for those credits of that internship for the fall?

Zastoupil: Yes, students who are required to take extended internships over seasons, the institution still has to register the students for a certain number of credits to consider it a 12 credit course. It would be acknowledged.

Chairman Flakoll calls **John Richmond**, President of the North Dakota State College of Science, to the podium

(17:55) **Senator Davison:** Do you see this internship or externship impacting any of your students in the programs at your college?

Richmond: Yes, there will be some. All of our current technical programs have some component of an external education period. It varies greatly. Clinical vary throughout the year and sometimes over the summer. Most of the programs occur in the summer so it will not impact the majority of the students; however even within our diesel program, it's complex. We have multiple programs with varying length. There could be some financial student affordability benefits to current technical students through this bill.

Chairman Flakoll closes the hearing.

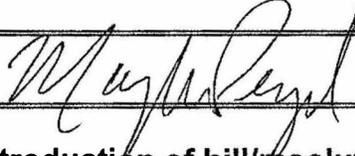
2015 SENATE STANDING COMMITTEE MINUTES

Education Committee
Missouri River Room, State Capitol

SB 2074
1/14/2015
Job # 21987 (2:31)

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Committee work with **Anita Thomas**, Legislative Council

Minutes:

No Attachments

Chairman Flakoll: On page 3 lines 9 and 10, why were some portions taken out?

Thomas: it was a matter of phraseology. We're saying on line 7 "the external experience is equivalent to at least six credits" In addition, "the credits for the external experience, together with any other credits in which the student is enrolled, total at least twelve" (line 12-13).

2015 SENATE STANDING COMMITTEE MINUTES

Education Committee
Missouri River Room, State Capitol

SB 2074
1/21/2015
Job # 22307 (9:25)

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

COMMITTEE WORK

Minutes:

No attachments

Chairman Flakoll called the committee to order at 2:10pm with all committee members present for committee work.

Chairman Flakoll: I want to go through all of the different scholarship bills. This one has a fiscal note of \$600,000. Essentially with the estimates, it may increase it by 200 students per year at \$1,500 each.

Vice Chairman Rust: This is basically for external experience. What is the total number of required credits they would otherwise be enrolled in if they are not involved in an external experience?

Chairman Flakoll: With the scholarship program, it is 12 credits their first year and 15 credits thereafter.

Vice Chairman Rust: Why do we want to drop down to 12 credits then?

Chairman Flakoll: In the testimony, it would include internships, residencies or other external experiences that are part of the degree program, which in many cases does not fulfill 15 credits.

Senator Oban: If a student is in a 24 month program like NDSCS or a year round program like University of Mary, how can we disqualify students? They shouldn't be penalized for the way the University system administers programs. It's important that we talk about this.

Chairman Flakoll: The current language is adopted with the 2011 session for the intent being that we want students to graduate in a timely fashion. Then after that fact, the colleges made some adjustments on programs and graduation requirements.

Chairman Flakoll ends discussion on SB 2074.

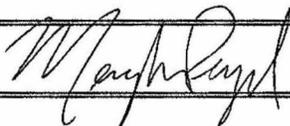
2015 SENATE STANDING COMMITTEE MINUTES

Education Committee
Missouri River Room, State Capitol

SB 2074
1/21/2015
Job # 22323 (8:49)

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

COMMITTEE WORK

Minutes:

No attachments

Vice Chairman Rust: Is this a case that can happen to a student with no fault of their own?

Chairman Flakoll: It seems to be generally dependent upon your major.

Senator Davison: As we continue to work in higher education, we want students to have more real life experiences. Some of these experiences outside of their junior and senior year may not allow them to take an additional 3 credits for that semester in order to continue qualifying for that scholarship. You would think they could take an online course to compensate for this.

Chairman Flakoll: This came up last session with nursing program students who were required and only allowed to take their 12 credit practicum. Understandably many students don't complete their bachelor's degree in four years and may exhaust their full scholarship amount by the time they have some external experience. However this is for the students successfully completing their 2 or 4 year program and that is just part of it.

Senator Davison: On the other hand, you now are encouraging students not to take 15 credits if they go out on those work experiences. You would hope it was for all the right reasons.

Senator Davison: What could Appropriations do if or when we send it to them?

Chairman Flakoll: They could change the criteria, tighten up the definition, and change the effective date. Keep in mind that they don't always get their way.

Senator Davison makes a motion for a do not pass.

Senator Schaible seconds the motion.

A vote was taken: Yes: 3, No: 3, Absent: 0

The motion fails.

Chairman Flakoll closes the discussion on SB 2074.

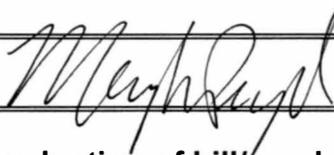
2015 SENATE STANDING COMMITTEE MINUTES

Education Committee
Missouri River Room, State Capitol

SB 2074
2/2/2015
Job # 22954 (2:37)

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

COMMITTEE ACTION

Minutes:

No attachments

Chairman Flakoll called the committee to order at 11:10am with Senator Marcellais excused for another hearing.

Senator Oban motions for a do pass and rerefer to appropriations.

Senator Schaible seconds the motion.

A vote was taken: Yes: 3, No: 2, Absent: 1

Senator Marcellais later voted "yes". Motion carries 4:2 for a do pass.

Chairman Flakoll will carry the bill.

**2015 SENATE EDUCATION COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2074**

Senate Education _____ Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Senator Davison _____ Seconded By Senator Schaible _____

Senators	Yes	No	Senators	Yes	No
Chairman Flakoll		X	Senator Marcellais		X
Vice Chairman Rust	X		Senator Oban		X
Senator Davison	X				
Senator Schaible	X				
MOTION FAILED					

Total (Yes) 3 _____ No 3 _____

Absent 0 _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2074: Education Committee (Sen. Flakoll, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2074 was rereferred to the Appropriations Committee.

2015 SENATE APPROPRIATIONS

SB 2074

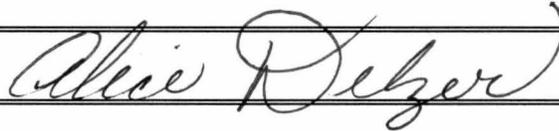
2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2074
2/10/2015
Job # 23580

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend NDCC relating to the scholarship eligibility of students enrolled in external experiences.

Minutes:

Testimony # 1 - 2

Chairman Holmberg called the committee to order on Tuesday, February 10, 2015, at 11:00 am in regards to SB 2074. All committee members were present. Tammy Dolan, OMB, and Sheila M. Sandness, Legislative Council, were also present. He then welcomed the students from Leads, ND. This bill has to do with scholarships and it is a good bill for them to be here.

Senator Heckaman, District 23 presented SB2074. She provided Testimony Attached # 1 introducing the reason for the bill. (3.52)

Brenda Zastoupil, Director of Financial Aid for NDUS testified in favor of SB 2074 and provided Testimony Attached # 2 sharing what the bill addresses regarding scholarship eligibility of students enrolled in external experiences. This is a \$6000 scholarship that the students earned in high school and they continue to have eligibility even if they don't qualify in the semester where they are not taking a 12 credit external experience. They still may qualify for their \$6000 scholarship in the future terms. (7.37)

Chairman Holmberg: You mention in here internships of other external experiences. Lets take the case of a student who was going to Minot State, let's call him Adam, and he came down and worked as an intern for the Legislative Council for a legislative session. If he had qualified for this and if Minot State was awarding him internship credits of 12 he would lose his scholarship for that time he was here because he wasn't making the 15 credits?

Ms. Zastoupil: If the internship is 12 credits, we forego the 15 credits requirement. However, the issue we are most seeing is most interns are not at 12 credits minimum. For instance a nursing student may have two clinical's in a semester, each one is 3 credits, and as you know nursing is a program that if you have clinical hours and you're out in the field and you have classroom time you're doing a significant amount of work and to add another

couple credits to reach that 15 requirement to get the \$750 scholarship is sometimes not even possible given the program structure. (9.03)

Chairman Holmberg: I had no idea what Adam earned. If he was only earning 10 then this bill would go into effect and he would of loosed that scholarship.

Ms. Zastoupil: If the internship was ten credits he would lose the scholarship. We had discussions with Legislative Council regarding what the minimum requirement should be. Should it be any type of external experience regardless if it's one credit to 12 credits. We want to make sure the students are progressing, but we also want to make sure that significant external experience that is being undertaken by the students, so that is where the 6 minimum came into play.

Chairman Holmberg: By the way, the Legislature did hire him after the session. So it was what you call a successful internship. Thank-you. Anyone else wishing to testify? We will close the hearing. Our subcommittee will be meeting on all these bills and we are meeting on Thursday, February 12th at 11:00. The subcommittee is the DPI subcommittee: Chairman Holmberg, V. Chairman Krebsbach and Senator Heckaman. The hearing was closed on SB 2074.

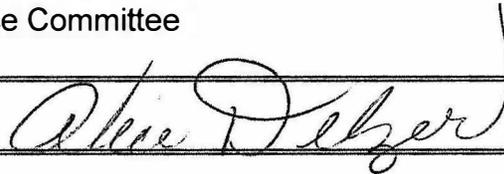
2015 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee
Harvest Room, State Capitol

SB 2074
2/13/2015
Job # 23807

- Subcommittee
 Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act relating to scholarship eligibility of students enrolled in external experiences (DO PASS)

Minutes:

"Click to enter attachment information."

Chairman Holmberg called the committee to order on Friday, February 13, 2015 in regards to SB 2074. All committee members were present. Brady Larson, Legislative Council and Chris Kadrmas, Legislative Council and Tammy Dolan, OMB were also present.

There was discussion regarding the number of scholarships that were lost because of the credit issue.

Senator Heckaman Moved Do pass. 2nd by Senator Robinson .

Chairman Holmberg: Call the roll on a Do Pass on Sb 2074.

A Roll Call vote was taken. Yea:13; Nay: 0; Absent: 0. Senator Flakoll will carry the bill.

The hearing was closed on SB 2074.

Date: 2-13-15
 Roll Call Vote #: 1

**2015 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2074**

Senate Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Heckaman Seconded By Robinson

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Heckaman	✓	
Senator Bowman	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator O'Connell	✓	
Senator Carlisle	✓		Senator Robinson	✓	
Senator Sorvaag	✓				
Senator G. Lee	✓				
Senator Kilzer	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No 0

Absent 0

Floor Assignment Educ. Flakoll

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2074: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2074 was placed on the
Eleventh order on the calendar.

2015 HOUSE FINANCE AND TAXATION

SB 2074

2015 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Pioneer Room, State Capitol

SB 2074
3/4/2015
24332

- Subcommittee
 Conference Committee

Committee Clerk Signature

Donna Wetham

Explanation or reason for introduction of bill/resolution:

Relating to the scholarship eligibility of students enrolled in external experiences.

Attachment # 1, 2.

Minutes:

Chairman Nathe: opened the hearing on SB 2074.

Senator Joan Heckaman: District 23 to introduce and support SB 2074. (1:45- 3:48).
(See Attachment #1).

Chairman Nathe: The \$600,000 dollars was put aside but no one qualified so they put it back.

Senator Heckaman: It was what they estimated would be accessed now if we pass this bill by students who have not been able to access because of the internships being less than 12 credits.

Rep Rohr: Was this the bill that Senator Wanzek introduced last session?

Senator Heckaman: It was. We brought it down from 15 to 12 credits. We knew there may be other experiences out there that students need for part of their degree. One of the problems is some of the way the experiences are makes it difficult for them to get up to 15 credits so we went to 12 credits and we are finding now that some of the experiences are not even 12 credits.

Rep Hunsakor: On the bottom of the first page you talk about the internship has been returned to the pool of money in the tune of \$600,000 dollars. Does that mean that there is some money there and the \$600,000 dollars is added to the pool and is there other money that will come into this pool or does the \$600,000 dollars stand by itself?

Senator Heckaman: This is the money that when a number of students couldn't access the scholarship because the experiences were less than 12 credits. This is what the University System estimated the students were losing over that time. That money has been returned to the pool. By saying the pool of money, I am using that term rather loosely, so that if all of you qualified for the scholarship and you were allowed \$6,000, when you got to your last semester and if you didn't have the 12 credits you couldn't access the \$750. This is the money that the University System estimated has been missed out by our students. They have earned it but they are unable to access it. Most of the students will still have an opportunity to access this because they are in their 3rd year, but some will lose out on a little bit of it.

Brenda Zastoupil: Director of Financial Aid for the North Dakota University System: (7:03-10:06) In support of SB 2074. (See Attachment #2).

Chairman Nathe: Any other support of SB 2074? Any opposition? Seeing none. Closed the hearing on SB 2074.

Chairman Nathe: reopened the hearing on SB 2074.

Rep Rohr: I don't know how they would do this if they don't have the 12 credit requirement how do they do it?

Chairman Nathe: If there requirement was less than 12 credits?

Rep Rohr: Isn't that what it says here, they are changing that whole process. I would like to call Brenda to clarify.

Chairman Nathe: What the bill would do would give them the scholarship if the experience is 6 or more credits as long as they are combined with other credits. So as long as they total 12 credits then they meet the requirement in one semester. It's a combination of the experience credits and other credits.

Rep Rohr: But to my thinking it is not going to be accomplished for some of those disciplines.

Chairman Nathe: You mean it is not enough?

Rep Rohr: Yes, that they won't meet that requirement. I will visit with Brenda.

Rep Kelsh: I am not sure I understand what external experience means?

Chairman Nathe: In the testimony it is defined as clinical, practicum, internship, a cooperative program, or other similar external experience. Think of it as an internship outside of school.

Rep Mock: Thinking of Representative Rohr's concern on reading the language on page 3. Currently they would have to be full time and have the external experience equivalent of

at least 12 units as determined by the state board of Higher Education. This would say 6 provided that any additional credits bring them up to the minimum of 12 credits.

Chairman Nathe: So it would be their classroom work would be 6 and internship would be 6 to add to 12. Right now you have to have 12 internship credits and a lot of those courses are not 12 credits.

Rep Mock: Right now if you had a student and they had 9 credit hours in external experience equivalence they would not be eligible under current law. But under the proposed language if they had 9 credits and they were taking 3 course room credits in addition they would be eligible for the scholarship.

Chairman Nathe: Correct.

Rep Mock: Otherwise they would always have to have minimum of 12 credits with external experience in order to qualify. This provides for the combination of external experience credits along with classroom credits.

Chairman Nathe: Yes the combination of credits allows more students to qualify for the scholarships. 579 disbursements were denied because of the current law.

Rep Mock: My questions have been answered and I can support this.

Rep Meier: This must be a block of students that this is affecting but she really didn't say what students in what career path this was affecting. I thought we took care of nursing last session.

Chairman Nathe: The bill Representative Rohr referred to was one that was a health care bill. External experience did not equate to 12 credits. I don't know if we did rectify this last session.

Rep Meier: It might be good to find out which group of students this was affecting.

Chairman Nathe: It is affecting 600 students right now.

Rep Meier: Yes, but what career path of students?

Chairman Nathe: It is more important to know that it is 600 students that are not getting it than what career path it is. Whatever career path they are in.

Rep Hunsakor: This would be available not only for the students who failed to qualify previously but also for any new ones?

Chairman Nathe: Correct. If we pass this bill today 579 students would qualify theoretically.

Rep. Olson: So that is my question if there were 579 students that were denied and an additional 200 would be covered. Wouldn't that change the fiscal note? They are only calculating on the 200 new students for \$750 per student on the fiscal note.

Chairman Nathe: It might be the additional students because we had \$600,000 that they didn't use.

Rep Looyesen: As far as the disciplines go in my experience it could qualify for anyone because I know people that have taken business internships or criminal justice internships that don't tally up to 12 credits. It could help anyone. The colleges do encourage you to do these internships because it is very valuable. What I like about this is these people would already qualify, they are above the GPA and have earned the scholarship and they are just trying to get and external experience and I think it is a good program and kind of an oversight as to the current program. With that I **Move a Do Pass on SB 2074.**

Rep D. Johnson: Seconded.

Chairman Nathe: Any other discussion on the do pass motion? I agree with Representative Looyesen. I can see students getting an internship 3 days a week 2 hours a day and that is 6 hours right there. It is unfortunate that these students are above the level and they are not getting this. I agree with your comments.

Rep. Olson: I am curious how the 579 how those funds are already calculated. In the fiscal note it talks about the potential increase of student eligibility. So there will be an increase of \$600,000 above and beyond what they had booked it down for. Based on the 579 students that were turned away if they are allowed now to get the scholarship that is an additional \$868,000 per year which for biennium would be \$1.7 million. I was wondering how was this funding? Was that already noted in the previous fiscal note that established this scholarship and it simply wasn't expended because of the miswording of the law?

Chairman Nathe: The money for the 579 students has already been appropriated so the \$300,000 per year and the \$600,000 per biennium is for the 200 additional students. The fiscal note only reflects the new students.

A Roll Call Vote was taken. Yes: 11 No: 0 Absent: 2. Motion carried.

Rep Kelsh: will carry the bill.

Date: 3/4/15
 Roll Call Vote #: 1

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. 2074**

House Education Committee

Subcommittee

Amendment LC# or Description: _____

- Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By Rep. Looyen Seconded By Rep. Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman Nathe	✓		Rep. Hunskor	✓	
Vice Chairman Schatz	✓		Rep. Kelsh	✓	
Rep. Dennis Johnson	✓		Rep. Mock	✓	
Rep. B. Koppelman	A				
Rep. Looyen	✓				
Rep. Meier	✓				
Rep. Olson	✓				
Rep. Rohr	✓				
Rep. Schreiber Beck	✓				
Rep. Zubke	A				

Total (Yes) 11 No 0

Absent 2

Floor Assignment Rep. Kelsh

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2074: Education Committee (Rep. Nathe, Chairman) recommends DO PASS
(11 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2074 was placed on the
Fourteenth order on the calendar.

2015 HOUSE APPROPRIATIONS

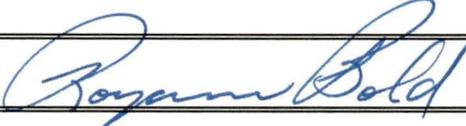
SB 2074

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2074
3/16/2015
24930

- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 15.1-21-02.6 of the North Dakota Century Code, relating to the scholarship eligibility of students enrolled in external experiences.

Minutes:

Attachments: 1-2 (written testimony)

Chairman Jeff Delzer opened the hearing
Representative Mike Nathe spoke as Chair of the Education committee.

Chairman Jeff Delzer

How many of the internships are less than that and how many are paid internships?

Nathe: we didn't talk about any paid internships that, all we talked about were the 200 students per year that were affected by this change right now.

Chairman Jeff Delzer: are they graduating in 4 years?

Nathe: we did not ask; but again if this is part of their program and they qualify for the scholarship; the committee felt they should be rewarded for it.

Chairman Jeff Delzer: The reason I ask that is that we are limiting them to 4 years of the scholarship to start with. The other issue is we already passed 1003 and in that we changed the scholarship from \$1500 to \$1950. I believe Brady, you sent a note saying what that would be; that it would go up to \$780,000, considering 200 students. And this money is not in 1003 at all?

Brady: that is correct.

Chairman Jeff Delzer

We should have someone from E&E look at this to see how it works with 1003.

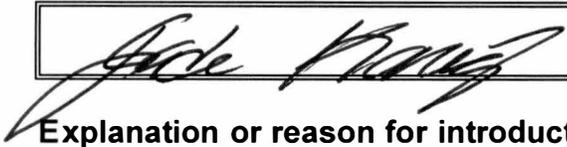
Hearing closed.

2015 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee
Roughrider Room, State Capitol

SB 2074
4/10/2015
26039

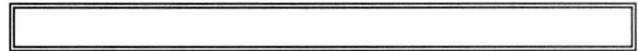
- Subcommittee
 Conference Committee



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 15.1-21-02.6 of the North Dakota Century Code, relating to the scholarship eligibility of students enrolled in external experiences

Minutes:



Chairman Jeff Delzer: SB 2074 is a bill that deals with scholarships. I believe it is the one that actually extends it for the students that are in an internship or something of the sort where they aren't necessarily considered fulltime students but they are doing some work that deals with that.

Representative Monson: Spoke about amendment 15.0340.02001. In the discussion we had we thought that these students earned this scholarship and they shouldn't have to give it up, but at the same time we thought they really shouldn't be double dipping either and if they qualify for an internship we thought one or the other and that is what this amendment attempts to do. The original bill let them keep both.

Chairman Jeff Delzer: They have to be doing 12 hours to be considered a fulltime student. So your amendment, .02001 would say whatever they were paid would come out of the internship?

Representative Monson: Right. They would not be penalized but they would not be double dipping either. So they would get the full amount of the scholarship.

Chairman Jeff Delzer: One thing we do have to be cognitive of is this has a fiscal effect. It said 600,000 dollars they way it sat, this might adjust it a little bit but we also have to remember that we did go to 1950 and 1003 for scholarships and I think the fiscal affect when you took that into consideration was 780,000 dollars. I don't know how much of a fiscal affect this would have to it but it would defiantly have a little bit. Brady what happens in higher Ed if we don't have enough money on the scholarship, would the prorate them?

Brady Larson: I believe their first option would be to request a deficiency appropriation. Also as a side note Senate appropriations did amend the scholarship program this morning.

They changed it back to 1,500 dollars which is the current level and they also adjusted the budget for the system office to include enough money to account for these bills 2074 and 2075.

Representative Dosch: I am going to resist this amendment. What we are talking about is a scholarship that these kids have earned, we are awarding it to them but yet if they go out and get an internship which are things we want them to do, then we are penalizing them in a sense. They still have to pay for these credit hours. If it is a three or six credit hour internship the university charges them for it. I just can't see us doing this, I think it is a good bill as it is and I resist the amendment.

Chairman Jeff Delzer: I will be honest I think it is an ok idea I don't know about the bill being worded right and what not. The Senate if they go back to 1,500 dollars that does make quite a difference to me then I think it is something we should probably look at going forward with.

Representative Boe: The problem with offsetting their scholarship with what they are paid in their internship, the money that they get for their internship is not a reflection of just their labor it is housing allowance and travel allowance. Not all internships are created equal. You may be offered an internship and there may have been students who turned them down just because they couldn't financially take on the obligation of housing in the area that they go.

Representative Monson: I just had this drafted I have no big interest in it. If no one seems interested in it I won't even bother to make a motion. If it's something that we want I'll move it.

Representative Sanford: Visiting with an individual she described that essentially they plan on so many scholarships, they budget for these scholarships and what is happening here is that these students then would not be qualified for it. So yes it would save on expenditures but it is already in the planning.

Representative Monson: I move a Do Pass.

Representative Dosch: Second.

Motion for a Do Pass without the amendment on SB 2074.

Motion made by Representative Monson.

Seconded by Representative Dosch.

Total yes 21. No 1. Absent 1.

Motion carries.

Floor assignment Representative Dosch.

Date: 4/10/15
 Roll Call Vote #: 1

**2015 HOUSE STANDING COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2074

House: Appropriations Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
 Other Actions: Reconsider _____

Motion Made By: Monson Seconded By: Dosch

Representatives	Yes	No	Absent
Chairman Jeff Delzer	✓		
Vice Chairman Keith Kempenich	✓		
Representative Bellew	✓		
Representative Brandenburg	✓		
Representative Boehning	✓		
Representative Dosch	✓		
Representative Kreidt	✓		
Representative Martinson	✓		
Representative Monson	✓		
Representative Nelson	✓		
Representative Pollert	✓		
Representative Sanford	✓		
Representative Schmidt			AB
Representative Silbernagel	✓		
Representative Skarphol		✓	
Representative Streyle	✓		
Representative Thoreson	✓		
Representative Vigesaa	✓		
Representative Boe	✓		
Representative Glassheim	✓		
Representative Guggisberg	✓		
Representative Hogan	✓		
Representative Holman	✓		
TOTALS	21	1	1

Floor Assignment: Dosch

If the vote is on an amendment, briefly indicate intent: _____

REPORT OF STANDING COMMITTEE

SB 2074: Appropriations Committee (Rep. Delzer, Chairman) recommends DO PASS
(21 YEAS, 1 NAYS, 1 ABSENT AND NOT VOTING). SB 2074 was placed on the
Fourteenth order on the calendar.

2015 TESTIMONY

SB 2074

#1
1/14/15

SB 2074
SCHOLARSHIP ELIGIBILITY FOR STUDENT INTERNSHIPS

Chairman Flakoll and members of the Senate Education Committee: I am Senator Joan Heckaman from District 23 and I am here today to present SB 2074 for your consideration.

This bill comes as a result of work by the North Dakota University System Office in investigating a variety of programs across the University System that have internships, residencies, or other external experiences as part of a degree.

Currently, students who receive the North Dakota Scholarship have criteria they must meet in order to receive this money for 4 years. One criterion you will find on page 3, line 7, still requires the external experience to be at least 12 credits. One of the problems is that some external experiences are not 12 credits.

This change in SB 2074 will fix that problem by combining the external experience with additional class to total 12 credits. This will allow students the opportunity to fully access their scholarships and complete their degrees.

You will hear from the NDUS and I believe they will be able to provide further insight into this bill.

Thank you for consideration of SB 2074.

Senator Joan Heckaman

11

**SENATE BILL 2074
SENATE EDUCATION
JANUARY 14, 2015**

**TESTIMONY OF
BRENDA ZASTOUPIL, NDUS DIRECTOR OF FINANCIAL AID**

Good morning, I am Brenda Zastoupil, Director of Financial Aid for the North Dakota University System. I am here today to testify in support of Senate Bill 2074.

This bill addresses scholarship eligibility of students enrolled in external experiences. The North Dakota Academic Scholarship (AC) and the North Dakota Career and Technical Education Scholarship (CTE) statutorily require students to maintain a minimum of 12 credits of enrollment in the first two semesters or quarters, and at least 15 credits minimum thereafter for program eligibility. A student also must maintain a 2.75 cumulative collegiate GPA to retain the scholarship from semester to semester.

Current statute allows a student who normally would be required to carry 15 credits to enroll in a minimum of 12 credits if the student is enrolled in an external experience that is equivalent to at least 12 credits. For this purpose, external experience is defined as clinical, practicum, internship, cooperative program, or other similar external experience. Students enroll in a wide variety of external-credit classes dependent on program and graduation requirements. Credits for these external experiences may range from 1 to 12 or more credits. Under current statute, students may enroll in an external experience course but if the course is not the equivalent of 12 credits, the student is denied the scholarship for the semester. The bill would permit external experiences of six or more credits, as long as the combined external experience and other credits total at least 12 semester credits.

From fall 2013 to fall 2014, only 21 students (may be duplicated) qualified for the current exemption. Over this time period, 579 disbursements were denied due to enrollment of between 12-14 credits in a semester, some of which may have been as a result of the current external experience provisions. Anecdotally, we are aware of situations where this impacted student eligibility. We estimate that an additional 200 students per year may qualify for the \$750 per semester scholarship if SB 2074 is adopted.

While degree progress is a key component of the state scholarship program, providing flexibility for programmatic requirements for students who are at an advanced stage of their degree, who are maintaining degree progress, and who are encouraged to pursue external experiences should be considered and supported.

I ask for your favorable support of SB2074. I am happy to answer any questions.

**2013/2014
Annual Report**

#3
1/14/15
SB 2074

**ND Academic Scholarship
ND Career & Technical Education Scholarship**

**Prepared For
Higher Education Funding Committee
By
North Dakota University System**

2013/14 Executive Summary – Program Statistics

- In 2014, 1,554 (20%) of the 2014 high school seniors qualified for the North Dakota scholarships. [Table 1a]
- To date, 7,191 seniors have qualified for the scholarship, 18% of all graduating seniors since 2010. [Table 1a; Chart 1b]
 - 4,670 have qualified for the ND Academic Scholarship
 - 2,521 have qualified for the ND Career & Technical Education Scholarship
- Scholarship dollars awarded since inception total \$17,269,597. [Table 1c]
- 830 students have been suspended from the scholarship program since inception. [Table 1c]
 - 94% of these suspensions are due to not maintaining the GPA requirement of 2.75 minimum.
 - 6% are due to other reasons (graduate student or deceased).
- 417 students have fully earned their scholarship of \$6,000. This is 26.24% of the 2010 cohort. [Table 1c]
- As noted in Table 2, program recipients are greatest in urban areas.
- A total of 4,034 students received a scholarship disbursement in fall 2014. This is 68% of all awardees who are still eligible for the scholarship. [Table 3a]
 - 64.3% at the state's research universities, NDSU and UND.
 - 13.0% at public 4-year universities.
 - 11.7% at private institutions.
 - 11.0% at 2-year public and tribal colleges.
- A total of \$3,024,609 was disbursed in fall 2014. [Chart 3b]
- Eligibility and attrition, as detailed in charts 4a-4c, shows the status of scholarships by cohort.
 - 1st fully paid students – 417 from cohort #1, which started in the 2010-11 academic year.
 - Approximately 11% of students have not maintained satisfactory academic progress, defined as a minimum 2.75 grade point average.
 - Nearly 83% of all scholarship recipients are still potentially eligible for disbursements.

Program Overview

Two merit-based scholarships were created during the 2009 legislative session, the North Dakota Academic scholarship and the North Dakota Career & Technical Education (CTE) scholarship. These scholarships are aimed at increasing high school rigor and retaining college students in North Dakota. The program is authorized through N.D.C.C. 15.1-21-02.

During the first year of the scholarship program (graduating class spring 2010), resident students who obtained a final cumulative grade point average of at least 3.0 on a 4.0 scale, and who achieved an ACT exam score of 24, qualified for an North Dakota Academic scholarship. Students who obtained the minimum GPA of 3.0 and who achieved a WorkKeys score of 5 on three assessments were eligible for the North Dakota CTE scholarship. Qualifications in subsequent years added specific high school curriculum requirements to these original scholarship eligibility guidelines.

Students who meet the requirements and who apply for the scholarship as a senior are awarded the state scholarship, which totals \$6,000, or a maximum of \$1,500 per academic year. Qualifying students have 6 years following high school graduation to fully utilize the scholarship at a qualifying institution within North Dakota.

Program Administration

The North Dakota Academic and North Dakota CTE scholarships are administered jointly by the Department of Public Instruction (DPI) and the North Dakota University System (NDUS). Through an Agency Administrative Agreement, DPI is responsible for the application-side of the scholarship programs including advertising, maintaining applications, verifying accuracy of the application, including ACT and WorkKeys scores, high school grade point average (GPA) and course work requirements, and notifying recipients of their initial scholarship eligibility.

NDUS is responsible for post-award activities including student eligibility communications, notifying financial aid offices of a recipient’s scholarship eligibility for financial-aid packaging purposes, distributing scholarship payments to respective colleges and universities, tracking student transfers, verifying full-time enrollment status and college cumulative grade averages for renewal purposes, maintaining fiscal files and reporting.

Current Program Requirements

Students can qualify for either the North Dakota Academic scholarship or the North Dakota CTE scholarship. Award amounts are limited to \$6,000 and must be utilized within six academic school years (do not have to be consecutive years) following high school graduation. The amount of each scholarship is \$750 per semester or \$500 per quarter, for a total of \$1,500 per academic year. Students must be enrolled full-time at an approved institution of higher learning within North Dakota. The scholarships are renewable provided the student maintains a 2.75 cumulative grade point average based on a 4.00 scale. The scholarship may not be used for graduate studies.

Fulltime Enrollment Requirements and Special Exemption Categories

For purposes of the ND Academic and ND Career and Technical Education scholarships, "full-time" is specifically defined as at least twelve credits during a student's first two semesters or quarters, and enrollment in at least fifteen credits during each term thereafter. The following exceptions may apply.

1. If a student requires fewer than fifteen credits to graduate, the student may retain scholarship eligibility by enrolling in fewer than fifteen but at least twelve credits during the semester, or the equivalent number of credits, as determined by the state board of higher education, with respect to students in a quarter systems.
2. Students who graduated from high school during the 2009-10 or the 2010-11 school year and who have completed six semesters may retain scholarship eligibility by enrolling in only twelve credits during each of the student's final two semesters, or the equivalent number of credits, as determined by the state board of higher education, with respect to students in a quarter system.
3. The requirement that a student be enrolled in at least fifteen credits does not apply in the case of a student participating in a clinical, practicum, internship, cooperative program, or similar external experience, *provided the external experience is equivalent to at least twelve units*, or such similar amount as determined by the state board of higher education, with respect to students in a quarter system, and considered to be fulltime placement for purposes of meeting graduation requirements.

Scholarship Renewal Requirement

Student must maintain a 2.75 cumulative GPA based on a 4.00 scale, which is reviewed each semester. If a student's cumulative GPA falls below 2.75, the student will be given one term to bring the cumulative GPA to 2.75 or higher. The scholarship will be revoked if the student fails to meet the GPA requirement after the next term.

Applications

High school seniors are required to apply for the scholarship through the ND Dept. of Public Instruction in their senior year. Applications are generally available from March to the first of June each year at the DPI website. Late applications are not accepted or considered for funding.

<https://www.dpi.state.nd.us/DPI/Scholarship/Login.aspx?ReturnUrl=%2fdpi%2fScholarship%2fdefault.aspx>

Eligible North Dakota Institutions

Eligible students may use the scholarship at the following institutions within North Dakota.

STATE RESEARCH UNIVERSITIES

North Dakota State University
University of North Dakota

STATE 4-YEAR UNIVERSITIES

Dickinson State University
Mayville State University
Minot State University
Valley City State University

TWO-YEAR STATE COLLEGES

Bismarck State College
Dakota College at Bottineau
Lake Region State College
North Dakota State College of Science
Williston State College

PRIVATE COLLEGES

Rasmussen College
Trinity Bible College
University of Jamestown
University of Mary

TRIBAL COLLEGES

Cankdeska Cikana Community College
Fort Berthold Community College
Sitting Bull College
Turtle Mountain Community College
United Tribes Technical College

Data Tables & Charts

Table 1a

How many high school seniors* met the scholarship requirements?						
	2010	2011	2012	2013	2014	TOTAL
Number of HS seniors	7,677	8,674	7,994	8,398	7,768	40,511
Number of eligible students	1,589	1,201	1,348	1,499	1,554	7,191
% of HS seniors eligible	21%	14%	17%	18%	20%	18%

*High school seniors as reported by DPI.

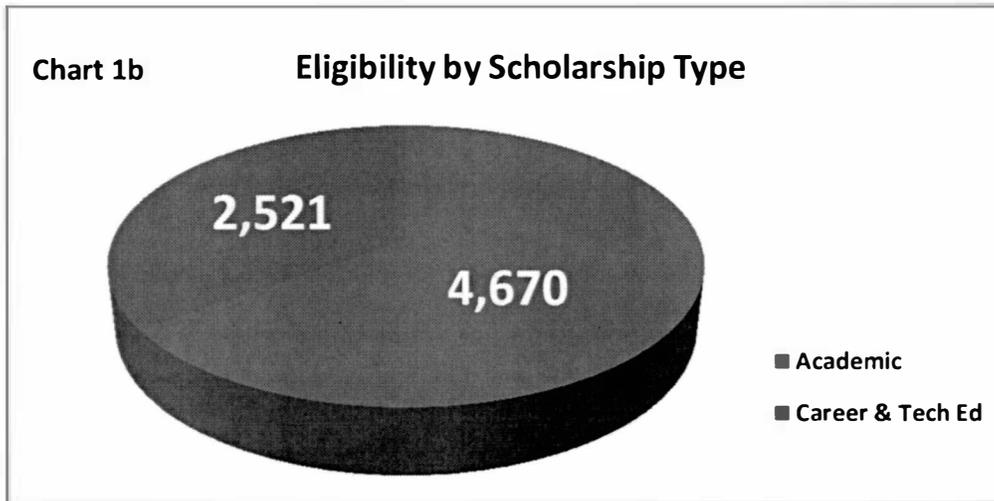


Table 1c

Scholarship Stats Since Inception	
# of eligible students	7,191
# suspended (GPA) or no longer eligible (graduate student or deceased)	830
% of eligible either suspended or no longer eligible	11.54%
# who earned full scholarship – paid in full (2010 cohort)	417
% of 2010 cohort paid in full	26.24%
Total dollars awarded	\$17,269,597

Table 2

County	# of Seniors by County	# Eligible Scholarship Recipients by County	# Scholarships Suspended (GPA)	%	# Scholarships Suspended (Graduate Student or Deceased)	%	# Scholarships Paid In Full	%	# Scholarships Still Active or Deferred	%
Adams	116	2	0	0.00%	0	0.00%	0	0.00%	2	100.00%
Barnes	653	134	14	10.45%	1	0.75%	9	6.72%	110	82.09%
Benson	442	22	1	4.55%	0	0.00%	1	4.55%	20	90.91%
Billings	0	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Bottineau	388	67	6	8.96%	0	0.00%	4	5.97%	57	85.07%
Bowman	224	42	1	2.38%	0	0.00%	1	2.38%	40	95.24%
Burke	108	30	5	16.67%	1	3.33%	1	3.33%	23	76.67%
Burleigh	5,006	714	61	8.54%	3	0.42%	42	5.88%	608	85.15%
Cass	8,828	1,211	167	13.79%	11	0.91%	64	5.28%	969	80.02%
Cavalier	231	46	0	0.00%	0	0.00%	2	4.35%	44	95.65%
Dickey	342	102	13	12.75%	3	2.94%	8	7.84%	78	76.47%
Divide	115	38	9	23.68%	0	0.00%	1	2.63%	28	73.68%
Dunn	189	41	7	17.07%	0	0.00%	1	2.44%	33	80.49%
Eddy	144	42	2	4.76%	0	0.00%	2	4.76%	38	90.48%
Emmons	285	70	2	2.86%	0	0.00%	6	8.57%	62	88.57%
Foster	235	59	3	5.08%	2	3.39%	3	5.08%	51	86.44%
Golden	155	40	2	5.00%	0	0.00%	3	7.50%	35	87.50%
Grand	3,431	570	70	12.28%	1	0.18%	31	5.44%	468	82.11%
Grant	126	23	4	17.39%	0	0.00%	1	4.35%	18	78.26%
Griggs	159	31	3	9.68%	0	0.00%	1	3.23%	27	87.10%
Hettinger	166	37	3	8.11%	2	5.41%	3	8.11%	29	78.38%
Kidder	160	30	0	0.00%	0	0.00%	2	6.67%	28	93.33%
LaMoure	254	79	12	15.19%	0	0.00%	6	7.59%	61	77.22%
Logan	138	56	5	8.93%	0	0.00%	1	1.79%	50	89.29%
McHenry	395	115	13	11.30%	0	0.00%	7	6.09%	95	82.61%
McIntosh	168	35	3	8.57%	0	0.00%	1	2.86%	31	88.57%
McKenzie	341	34	5	14.71%	0	0.00%	3	8.82%	26	76.47%
McLean	593	125	20	16.00%	0	0.00%	6	4.80%	99	79.20%
Mercer	559	180	28	15.56%	0	0.00%	12	6.67%	140	77.78%
Morton	1,634	245	11	4.49%	0	0.00%	14	5.71%	220	89.80%
Mountrail	484	47	3	6.38%	1	2.13%	0	0.00%	43	91.49%
Nelson	202	57	4	7.02%	0	0.00%	5	8.77%	48	84.21%
Oliver	89	20	1	5.00%	0	0.00%	2	10.00%	17	85.00%
Pembina	472	107	13	12.15%	0	0.00%	7	6.54%	87	81.31%
Pierce	259	56	7	12.50%	0	0.00%	7	12.50%	42	75.00%
Ramsey	814	119	6	5.04%	1	0.84%	2	1.68%	110	92.44%
Ransom	363	62	6	9.68%	0	0.00%	2	3.23%	54	87.10%
Renville	229	40	7	17.50%	1	2.50%	2	5.00%	30	75.00%
Richland	966	326	39	11.96%	2	0.61%	14	4.29%	271	83.13%
Rolette	1,203	59	5	8.47%	0	0.00%	2	3.39%	52	88.14%
Sargent	314	102	14	13.73%	1	0.98%	5	4.90%	82	80.39%
Sheridan	51	11	1	9.09%	0	0.00%	2	18.18%	8	72.73%
Sioux	279	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Slope	0	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Stark	1,675	464	46	9.91%	6	1.29%	27	5.82%	385	82.97%
Steele	165	37	1	2.70%	0	0.00%	1	2.70%	35	94.59%
Stutsman	1,118	243	28	11.52%	1	0.41%	15	6.17%	199	81.89%
Towner	117	49	7	14.29%	0	0.00%	3	6.12%	39	79.59%
Traill	542	130	17	13.08%	1	0.77%	7	5.38%	105	80.77%
Walsh	649	127	15	11.81%	1	0.79%	6	4.72%	105	82.68%
Ward	3,280	587	71	12.10%	3	0.51%	55	9.37%	458	78.02%
Wells	252	78	4	5.13%	0	0.00%	3	3.85%	71	91.03%
Williams	1,403	211	18	8.53%	5	2.37%	14	6.64%	174	82.46%
Other	0	39	0	0.00%	0	0.00%	0	0.00%	3	100.00%
Totals	40,511	7,191	783	10.89%	47	0.65%	417	5.80%	5,944	82.46%

Table 3a

Fall 2014 awards - College sector attended for students with a disbursement									
	2 Year Public or Tribal		4 Year Public		Research		Private		Total
	Count	%	Count	%	Count	%	Count	%	
ND Academic Scholarship	166	4.12%	270	6.70%	1,882	46.67%	324	8.03%	2,642
ND Career & Technical Education Scholarship	280	6.94%	254	6.30%	712	17.65%	146	3.62%	1,392
Total	446	11.06%	524	13%	2,594	64.32%	470	11.65%	4,034

Chart 3b

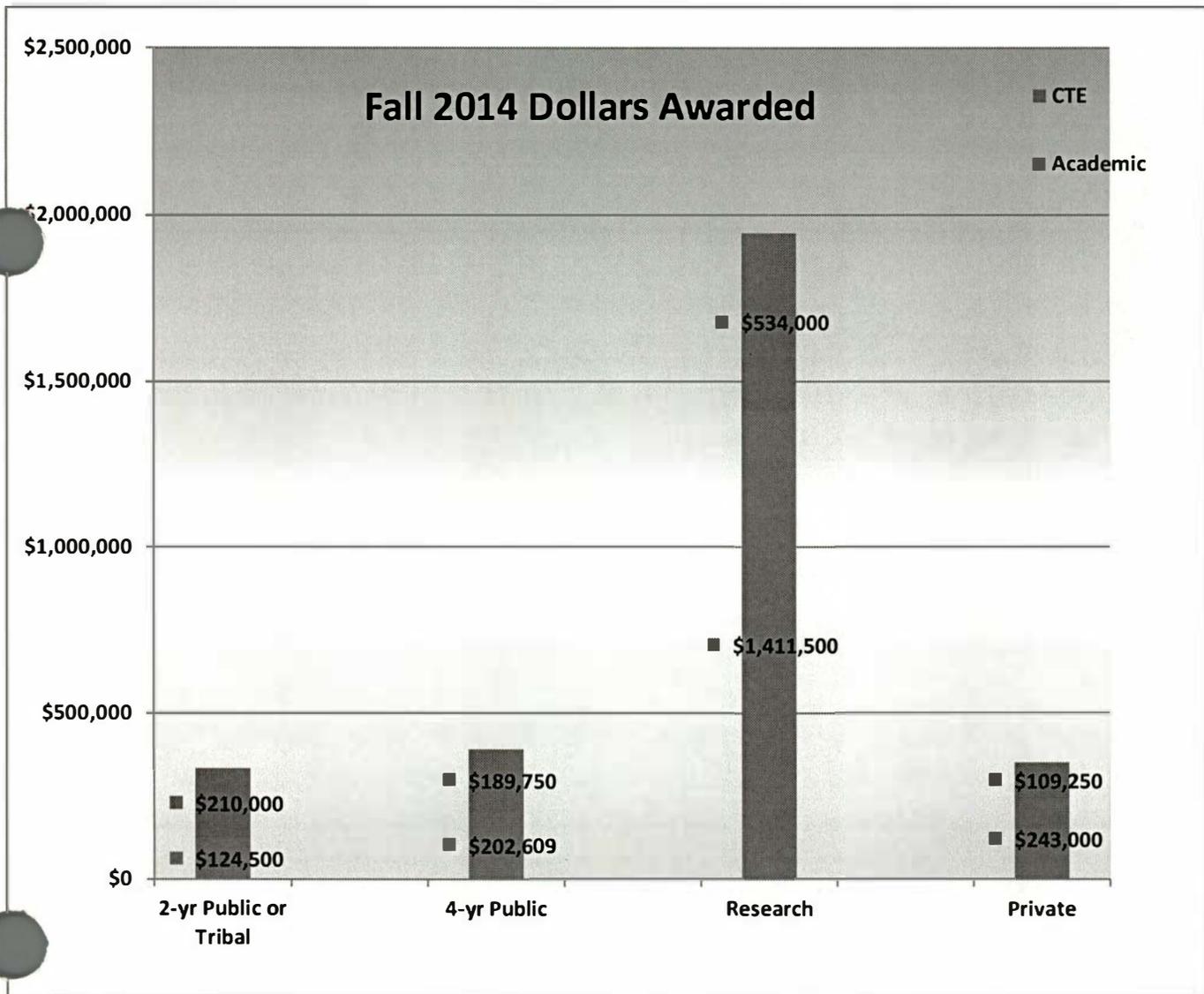
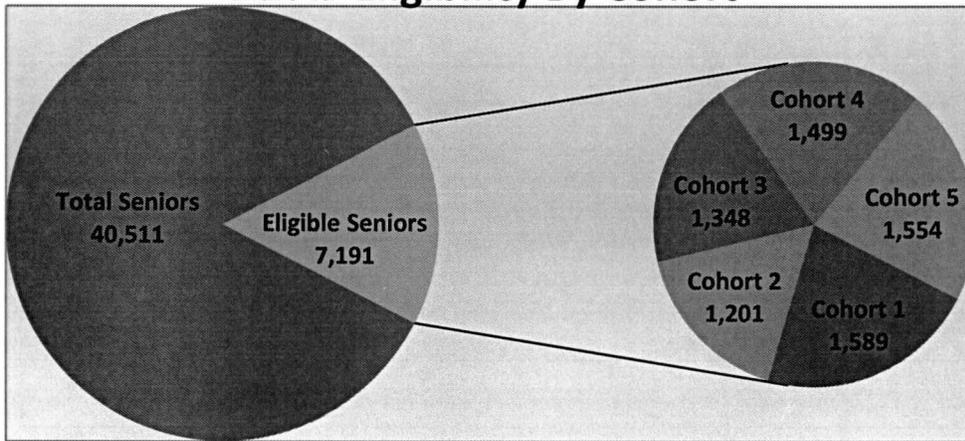


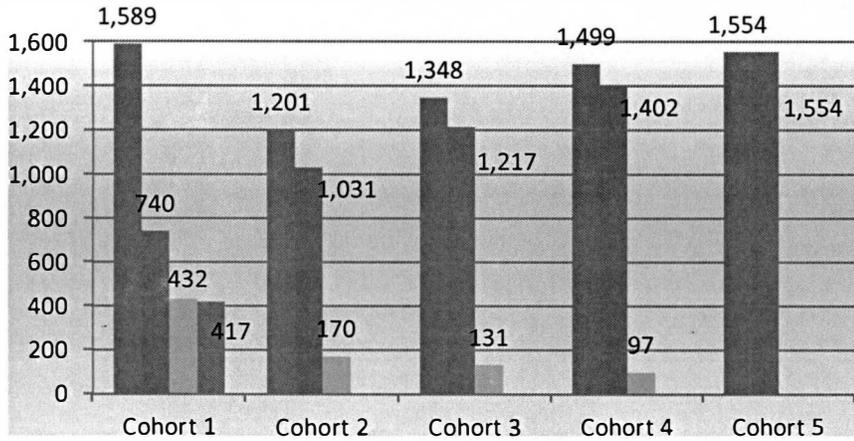
Chart 4a Eligibility By Cohort



- Cohort 1 (2010)
- Cohort 2 (2011)
- Cohort 3 (2012)
- Cohort 4 (2013)
- Cohort 5 (2014)

Chart 4b

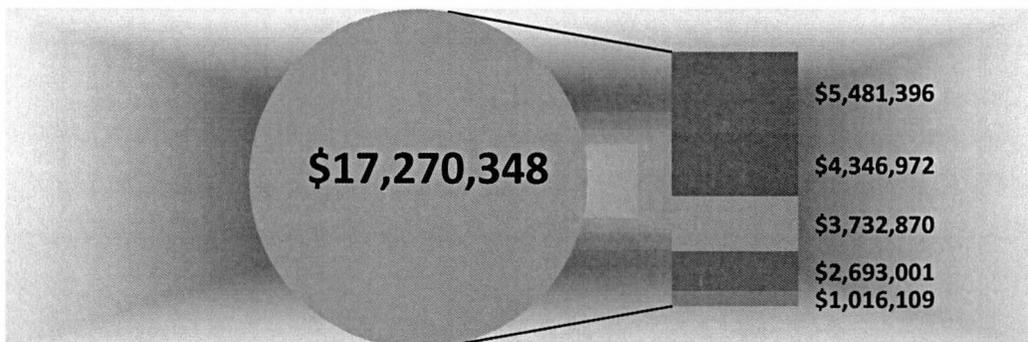
**Eligibility and Attrition
By Cohort**



- Original # eligible
- # Still eligible
- # Suspended (GPA) or no longer eligible
- # Paid in full

Chart 4c

Total Disbursed as of Fall 2014



- Cohort 1
- Cohort 2
- Cohort 3
- Cohort 4
- Cohort 5

2-10-15
#1

SB 2074
SCHOLARSHIP ELIGIBILITY FOR STUDENT INTERNSHIPS

Chairman Holmberg and members of the Senate Appropriations Committee: I am Senator Joan Heckaman from District 23 and I am here today to present SB 2074 for your consideration.

This bill comes as a result of a commitment I made at the end of last session to investigate internships, residencies, or other external experiences students in their last year of college must participate in that are not sufficient in the number of credits required to qualify for the North Dakota Scholarship. The North Dakota University System Office did all of the work in investigating a variety of programs across the University System that have internships, residencies, or other external experiences as part of a degree.

Currently, students who receive the North Dakota Scholarship have criteria they must meet in order to receive this money for 4 years. One criterion you will find on page 3, line 7, still requires the external experience to be at least 12 credits. One of the problems is that some external experiences are not 12 credits.

This change in SB 2074 will fix that problem by combining the external experience with additional class to total 12 credits. This will allow students the opportunity to fully access their scholarships and complete their degrees.

Again, like the last scholarship bill, SB 2075, money that was available to the students has been returned to the pool of money in the tune of \$600,000. That is \$600,000 that our graduating seniors have qualified for that they are not going to receive unless we make the change in this bill. And I don't believe the legislature intended to award a 4 year scholarship and then not follow through with the changes needed for students to fully access these scholarships.

You will hear from the NDUS and I believe they will be able to provide further insight into this bill.

Thank you for consideration of SB 2074.

Senator Joan Heckaman

1.1

SB2074

Senate Appropriations

February 10, 2015

Brenda Zastoupil, Director of Financial Aid
701.224-2541 | brenda.zastoupil@ndus.edu

Good morning, I am Brenda Zastoupil, Director of Financial Aid for the North Dakota University System. I am here today to testify in support of Senate Bill 2074.

This bill addresses scholarship eligibility of students enrolled in external experiences. The North Dakota Academic Scholarship (AC) and the North Dakota Career and Technical Education Scholarship (CTE) statutorily require students to maintain a minimum of 12 credits of enrollment in the first two semesters or quarters, and at least 15 credits minimum thereafter for program eligibility. A student also must maintain a 2.75 cumulative collegiate GPA to retain the scholarship from semester to semester.

Current statute allows a student who normally would be required to carry 15 credits to enroll in a minimum of 12 credits if the student is enrolled in an external experience that is equivalent to at least 12 credits. For this purpose, external experience is defined as clinical, practicum, internship, cooperative program, or other similar external experience. Students enroll in a wide variety of external-credit classes dependent on program and graduation requirements. Credits for these external experiences may range from 1 to 12 or more credits. Under current statute, students may enroll in an external experience course but if the course is not the equivalent of 12 credits, the student is denied the scholarship for the semester. The bill would permit external experiences of six or more credits, as long as the combined external experience and other credits total at least 12 semester credits.

From fall 2013 to fall 2014, only 21 students (may be duplicated) qualified for the current exemption. Over this time period, 579 disbursements were denied due to enrollment of between 12-14 credits in a semester, some of which may have been as a result of the current external experience provisions. Anecdotally, we are aware of situations where this impacted student eligibility. We estimate that an additional 200 students per year may qualify for the \$750 per semester scholarship if SB 2074 is adopted. The fiscal impact of this would be estimated at \$300,000 per year.

While degree progress is a key component of the state scholarship program, providing flexibility for programmatic requirements for students who are at an advanced stage of their degree, who are maintaining degree progress, and who are encouraged to pursue external experiences should be considered and supported.

I ask for your favorable support of SB2074. I am happy to answer any questions.

#1
SB2074
3/4/15

SB 2074

SCHOLARSHIP ELIGIBILITY FOR STUDENT INTERNSHIPS

Chairman Nathe and Members of the House Education Committee: I am Senator Joan Heckaman from District 23 and I am here today to present SB 2074 for your consideration.

This bill comes as a result of a commitment I made at the end of last session to investigate internships, residencies, or other external experiences students in their last year of college must participate in that are not sufficient in the number of credits required to qualify for the North Dakota Scholarship. While I would like to take the credit, the staff at the North Dakota University System Office did all of the work in investigating a variety of programs across the University System that have internships, residencies, or other external experiences as part of a degree.

Currently, students who receive the North Dakota Scholarship have criteria they must meet in order to receive the scholarship for 4 years. After the first semester of college, scholarship students are required to take at least 15 credits. Many internships are not 15 credits, so last session we allowed internships and external experiences to be 12 credits. There is still a problem in that some of these internships/experiences are not 12 credits as determined by the NDUS.

This change in SB 2074 will fix that problem by combining the external experience with additional class/classes to total 12 credits. This will allow students the opportunity to fully access their scholarships and complete their degrees.

The money that was available to the students who qualified for a scholarship but was not able to use it for the internship has been returned to the pool of money in the tune of \$600,000. That is

\$600,000 that our graduating seniors have qualified for that they are not going to receive unless we make the change in this bill. And I don't believe the legislature intended to award a 4 year scholarship and then not follow through with the changes needed for students to fully access these scholarships.

You will hear from the NDUS and I believe they will be able to provide further insight into this bill.

Thank you for your consideration of SB 2074

Senator Joan Heckaman

SB2074

House Education

March 4, 2015

Brenda Zastoupil, Director of Financial Aid
701.224-2541 | brenda.zastoupil@ndus.edu

I am Brenda Zastoupil, Director of Financial Aid for the North Dakota University System. I am here today to testify in support of Senate Bill 2074.

This bill addresses scholarship eligibility of students enrolled in external experiences. The North Dakota Academic Scholarship (AC) and the North Dakota Career and Technical Education Scholarship (CTE) statutorily require students to maintain a minimum of 12 credits of enrollment in the first two semesters or quarters, and at least 15 credits minimum thereafter for program eligibility. A student also must maintain a 2.75 cumulative collegiate GPA to retain the scholarship from semester to semester.

Current statute allows a student who normally would be required to carry 15 credits to enroll in a minimum of 12 credits if the student is enrolled in an external experience that is equivalent to at least 12 credits. For this purpose, external experience is defined as clinical, practicum, internship, cooperative program, or other similar external experience. Students enroll in a wide variety of external-credit classes dependent on program and graduation requirements. Credits for these external experiences may range from 1 to 12 or more credits. Under current statute, students may enroll in an external experience course but if the course is not the equivalent of 12 credits, the student is denied the scholarship for the semester. The bill would permit external experiences of six or more credits, as long as the combined external experience and other credits total at least 12 semester credits.

From fall 2013 to fall 2014, only 21 students (may be duplicated) qualified for the current exemption. Over this time period, 579 disbursements were denied due to enrollment of between 12-14 credits in a semester, some of which may have been as a result of the current external experience provisions. Anecdotally, we are aware of situations where this impacted student eligibility. We estimate that an additional 200 students per year may qualify for the \$750 per semester scholarship if SB 2074 is adopted. The fiscal impact of this would be estimated at \$300,000 per year.

While degree progress is a key component of the state scholarship program, providing flexibility for programmatic requirements for students who are at an advanced stage of their degree, who are maintaining degree progress, and who are encouraged to pursue external experiences should be considered and supported.

I ask for your favorable support of SB2074. I am happy to answer any questions.

SB 2074
House Approps
3/16/15
Submitted
Testimony

SB 2074
SCHOLARSHIP ELIGIBILITY FOR STUDENT INTERNSHIPS

Mr. Chairman and Members of the Committee: I am Senator Joan Heckaman from District 23 and I am here today to present SB 2074 for your consideration.

This bill comes as a result of a commitment I made at the end of last session to investigate internships, residencies, or other external experiences students in their last year of college must participate in that are not sufficient in the number of credits required to qualify for the North Dakota Scholarship. While I would like to take the credit, the staff at the North Dakota University System Office did all of the work in investigating a variety of programs across the University System that have internships, residencies, or other external experiences as part of a degree.

Currently, students who receive the North Dakota Scholarship have criteria they must meet in order to receive the scholarship for 4 years. After the first semester of college, scholarship students are required to take at least 15 credits. Many internships are not 15 credits, so last session we allowed internships and external experiences to be 12 credits. There is still a problem in that some of these internships/experiences are not 12 credits as determined by the NDUS.

This change in SB 2074 will fix that problem by combining the external experience with additional class/classes to total 12 credits. This will allow students the opportunity to fully access their scholarships and complete their degrees.

The money that was available to the students who qualified for a scholarship but were not able to use it for the internship has been returned to the pool of money in the tune of \$600,000. That is

\$600,000 that our graduating seniors have qualified for that they are not going to receive unless we make the change in this bill. And I don't believe the legislature intended to award a 4 year scholarship and then not follow through with the changes needed for students to fully access these scholarships.

You will hear from the NDUS and I believe they will be able to provide further insight into this bill.

Thank you for your consideration of SB 2074

Senator Joan Heckaman

SB2074

House Appropriations

March 16, 2015

Brenda Zastoupil, Director of Financial Aid
701.224-2541 | brenda.zastoupil@ndus.edu

I am Brenda Zastoupil, Director of Financial Aid for the North Dakota University System. I am here today to testify in support of Senate Bill 2074.

This bill addresses scholarship eligibility of students enrolled in external experiences. The North Dakota Academic Scholarship (AC) and the North Dakota Career and Technical Education Scholarship (CTE) statutorily require students to maintain a minimum of 12 credits of enrollment in the first two semesters or quarters, and at least 15 credits minimum thereafter for program eligibility. A student also must maintain a 2.75 cumulative collegiate GPA to retain the scholarship from semester to semester.

Current statute allows a student who normally would be required to carry 15 credits to enroll in a minimum of 12 credits if the student is enrolled in an external experience that is equivalent to at least 12 credits. For this purpose, external experience is defined as clinical, practicum, internship, cooperative program, or other similar external experience. Students enroll in a wide variety of external-credit classes dependent on program and graduation requirements. Credits for these external experiences may range from 1 to 12 or more credits. Under current statute, students may enroll in an external experience course but if the course is not the equivalent of 12 credits, the student is denied the scholarship for the semester. The bill would permit external experiences of six or more credits, as long as the combined external experience and other credits total at least 12 semester credits.

From fall 2013 to fall 2014, only 21 students (may be duplicated) qualified for the current exemption. Over this time period, 579 disbursements were denied due to enrollment of between 12-14 credits in a semester, some of which may have been as a result of the current external experience provisions. We are aware of situations where this impacted student eligibility. We estimate that an additional 200 students per year may qualify for the \$750 per semester scholarship if SB 2074 is adopted. The fiscal impact of this would be estimated at \$300,000 per year.

While degree progress is a key component of the state scholarship program, providing flexibility for program requirements for students who are at an advanced stage of their degree, who are maintaining degree progress, and who are encouraged to pursue external experiences should be considered and supported.

I ask for your favorable support of SB2074. I am happy to answer any questions.