

Sixty-sixth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1171

Introduced by

Representatives Grueneich, Blum, Dockter, Headland, Howe, Mitskog, Pollert, Satrom

Senators Cook, Wanzek

1 A BILL ~~for an Act to create and enact two new sections to chapter 6-09 of the North Dakota~~
2 ~~Century Code, relating to the development and implementation of a skilled workforce student~~
3 ~~loan repayment program; to provide a continuing appropriation; to provide for a transfer; to~~
4 ~~provide an expiration date; and to declare an emergency.~~for an Act to create and enact a new
5 section to chapter 15-10 of the North Dakota Century Code, relating to the development and
6 implementation of a skilled workforce scholarship program; to provide a continuing
7 appropriation; and to provide for a transfer.

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

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

11 ~~—~~ ~~**Skilled workforce student loan repayment program – Development and**~~
12 ~~**implementation.**~~

13 ~~—~~ ~~1. The Bank of North Dakota shall adopt rules to develop, implement, promote, and~~
14 ~~administer a skilled workforce student loan repayment program in conjunction with the~~
15 ~~North Dakota university system and the North Dakota workforce development council~~
16 ~~with the intent of attracting and retaining individuals for professional or technical skills~~
17 ~~in high demand in this state.~~

18 ~~—~~ ~~2. The North Dakota workforce development council in cooperation with job service North~~
19 ~~Dakota shall use available labor market information to determine annually the eligible~~
20 ~~high demand and emerging occupations in this state.~~

21 ~~—~~ ~~3. The North Dakota university system and the North Dakota workforce development~~
22 ~~council shall compile a list of qualifying educational programs by April first of each~~
23 ~~year. Qualifying educational programs may include degree or certificate programs.~~

- 1 ~~4. Graduates of qualifying educational programs from institutions or entities in this state~~
2 ~~may apply for the skilled workforce student loan repayment program. To be eligible to~~
3 ~~receive student loan repayment grants under the program, the applicant:~~
- 4 ~~a. Must have successfully completed a qualifying educational program from a Bank~~
5 ~~of North Dakota approved institution or entity after January 1, 2019;~~
- 6 ~~b. Must have maintained at least a 2.75 grade point average, based on a~~
7 ~~4.0 grading system;~~
- 8 ~~c. Must have a student loan with the Bank of North Dakota or other participating~~
9 ~~lender;~~
- 10 ~~d. Following completion of a qualifying educational program must remain and work~~
11 ~~in this state in an eligible high-demand or emerging occupation; and~~
- 12 ~~e. Must have met and shall continue to meet any requirements established by rule.~~
- 13 ~~5. The Bank of North Dakota shall adopt rules to ensure compliance with residency and~~
14 ~~occupation requirements after completion of the qualifying educational program.~~
- 15 ~~6. The Bank of North Dakota shall distribute student loan repayment grants from the~~
16 ~~skilled workforce student loan repayment program fund directly to the Bank of North~~
17 ~~Dakota or other participating lender to repay outstanding student loan principal~~
18 ~~balances for eligible applicants. The maximum annual student loan repayment grant~~
19 ~~amount for which an applicant may qualify is five thousand six hundred sixty-seven~~
20 ~~dollars, or one-third of the applicant's outstanding student loan principal balance,~~
21 ~~whichever is less. The maximum total student loan repayment grant amount for which~~
22 ~~any applicant may qualify is seventeen thousand dollars.~~
- 23 ~~7. If an individual is receiving loan forgiveness under any other provision, the individual~~
24 ~~may not receive a student loan repayment grant under this section during the same~~
25 ~~application year.~~
- 26 ~~8. The skilled workforce student loan repayment program must be a joint public and~~
27 ~~private effort. The Bank of North Dakota shall provide one dollar of funding for each~~
28 ~~one dollar of funding raised from the private sector.~~
- 29 ~~9. The North Dakota university system in cooperation with the North Dakota workforce~~
30 ~~development council shall seek private matching funds for the skilled workforce~~

1 student loan repayment program. Any matching funds received must be deposited in
2 the skilled workforce student loan repayment program fund.

3 ~~— **SECTION 2.** A new section to chapter 6-09 of the North Dakota Century Code is created~~
4 ~~and enacted as follows:~~

5 ~~— **Skilled workforce student loan repayment program fund established - Continuing**~~
6 ~~**appropriation.**~~

7 ~~— The skilled workforce student loan repayment program fund is established as a revolving~~
8 ~~fund. All moneys deposited or transferred into the fund and interest earned on moneys in the~~
9 ~~fund are appropriated for the purposes of section 1 of this Act.~~

10 ~~— **SECTION 3. TRANSFER - BANK OF NORTH DAKOTA - SKILLED WORKFORCE**~~

11 ~~**STUDENT LOAN REPAYMENT PROGRAM FUND.** The Bank of North Dakota shall transfer~~
12 ~~the sum of \$5,000,000, or so much of the sum as may be necessary, from the Bank's current~~
13 ~~earnings and undivided profits to the skilled workforce student loan repayment program fund~~
14 ~~during the period beginning with the effective date of this Act, and ending June 30, 2021.~~

15 ~~— **SECTION 4. EXPIRATION DATE.** Section 2 of this Act is effective through June 30, 2021,~~
16 ~~and after that date is ineffective.~~

17 ~~— **SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure.~~

18 **SECTION 1.** A new section to chapter 15-10 of the North Dakota Century Code is created
19 and enacted as follows:

20 **Skilled workforce scholarship program - Skilled workforce scholarship fund - State**
21 **board of higher education - Continuing appropriation.**

22 1. There is created in the state treasury the skilled workforce scholarship fund. The fund
23 consists of moneys transferred into the fund by the legislative assembly, matching
24 funds received, and scholarship repayments. Moneys in the fund are appropriated to
25 the state board of higher education on a continuing basis for the purpose of providing
26 grants to institutions of higher education related to skilled workforce scholarships.
27 Institutions of higher education include institutions under the control of the state board
28 of higher education, North Dakota nonpublic accredited institutions of higher
29 education, and tribally controlled community colleges.

30 2. The state board of higher education shall develop policies to administer a skilled
31 workforce scholarship program in cooperation with the Bank of North Dakota and the

1 workforce education advisory council. The purpose of the skilled workforce scholarship
2 program is to attract and retain students for professional or technical skills in high
3 demand in this state.

4 3. The state board of higher education and the workforce education advisory council
5 shall compile a list of qualifying educational programs by August first of each year.
6 Qualifying educational programs must be able to be completed within four semesters
7 or eight quarters and pertain to the technical skills in high demand in this state.

8 4. Individuals enrolled in a qualifying educational program in this state may apply for a
9 scholarship under this section. Scholarships are limited to the amount charged each
10 quarter or semester by the educational institution for the tuition, fees, books, and
11 supplies required for the qualifying educational program. The scholarships may
12 supplement any other scholarship or grant financial aid received by a student to assist
13 the student with the costs of the qualifying educational program.

14 5. To be eligible for a scholarship under this section, a student must maintain a
15 2.5 cumulative grade point average, based on a 4.0 grading system. A student may
16 not receive scholarships under this section for more than the equivalent of four
17 semesters of full-time enrollment or eight quarters of full-time enrollment. Upon
18 completion of a qualifying educational program, a student who received a scholarship
19 under this section shall remain and work in this state for a minimum of three years.

20 6. An individual shall repay the scholarship pursuant to the terms in the individual's
21 scholarship award agreement if the individual fails to maintain a 2.5 cumulative grade
22 point average while enrolled, discontinues attendance before the completion of any
23 semester or quarter for which a scholarship has been received, or fails to remain and
24 work in this state for at least three years following degree or certificate completion.

25 7. Each quarter or semester, the state board of higher education shall distribute grants to
26 institutions of higher education to provide the amounts necessary for the scholarships
27 awarded to the students enrolled in each institution. The state board of higher
28 education may distribute grants only to the extent that the private sector has provided
29 one dollar of matching funds for each dollar of funding provided by the state.

30 **SECTION 2. TRANSFER - BANK OF NORTH DAKOTA - SKILLED WORKFORCE**

31 **SCHOLARSHIP FUND.** The Bank of North Dakota shall transfer the sum of \$10,000,000, or so

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- 1 much of the sum as may be necessary, from the Bank's current earnings and undivided profits
- 2 to the skilled workforce scholarship fund during the biennium beginning July 1, 2019, and
- 3 ending June 30, 2021.