

**Engrossed SB2272**

House Education Committee

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Chair Owens and members of the House Education Committee, my name is Brenda Zastoupil, and I serve as the Financial Aid Director of the North Dakota University System (NDUS). I am here to provide testimony in support of Engrossed SB2272.

The skilled workforce scholarship and loan repayment programs, known as “ND Career Builders,” was established by the 2019 Legislative Assembly as a workforce development tool to attract and retain talent into high need occupations in the state. It has been a collaborative effort among partners across the state, including higher education, the Bank of ND, business, economic development and the Greater ND Chamber.

The program structure was developed following approval in April 2019. The Workforce Development Council and Job Service ND developed the high need and emerging occupations list in July 2019. Educational programs were mapped to the occupations, procedures implemented, and applications developed by August 2019. A grass-roots awareness campaign from NDUS and partners then began in fall 2019 to inform all public, private and tribal colleges of the program, as well as high school counselors, businesses and ND Job Service. Business and students began to commit to the state program and initial awards were issued in October 2019. The program has continued to grow since then. COVID-19 did have an impact wherein we saw a drop-off of inquiries from March to May 2020.

The engrossed bill contains changes that improve access, eligibility, streamline processes and secures funding for the program. The NDUS is supportive of the amendments.

- **Section 1, Subsections 4-5 and 10(b):** Specific to loan repayment, the requirement to map qualifying programs to the in-demand occupations is struck. Current law requires that a qualifying loan repayment recipient must have earned a degree, hold qualifying student loans, and be employed and live within the state. Employers already identify hiring criteria, such as qualifying degrees, needed to fill positions.
- **Section 1, Subsection 5(d):** NDUS operates under “procedures”. This is clean-up language.
- **Section 1, Subsection 7:** Clarifying language added referencing “state” loan forgiveness programs.
- **Section 1, Subsection 8 and Section 2, Subsection 5:** The average scholarship award is around \$5,100 per recipient, while the average loan repayment is \$12,600. The amended language would allow a student to receive a scholarship while in school and then loan repayment after completion, up to the combined maximum of \$17,000. This will further incentivize individuals to seek degrees in in-demand occupations and provides flexibility for donors who may choose to use both programs to recruit an individual.

- **Section 2, Subsection 1:** The ND Dept. of Career and Technical Education Board approves certain programs in the state that lead to certificates that help to fill in-demand occupations; however, current law does not include these among those eligible for ND Career Builders. An example is the Emerging Digital Academy in Fargo.
- **Section 2, Subsection 4:** The focus of the scholarship as developed in 2019, was to direct students to skilled programs of study at the associate’s level and below, or other programs of 4 semesters or 6 quarters in length. Associates programs may extend beyond “4 semesters or 6 quarters” at times, especially with clinicals and internships. Therefore, this change is clean-up language.
- **Section 2, Subsections 6 and 8:** Students must maintain a 2.50 GPA to continue receiving payments under the program, which is unchanged in Engrossed SB2272. However, current law also requires students to begin repaying funds if they fall below a 2.50 cumulative GPA, even if they are still making academic progress in their program and are on track to completion. As a result, students could still be attending college, have a 2.49 GPA, and be required to repay their award. The amendment allows these students to continue to completion without the added burden of repaying scholarship dollars received. Students below a 2.50 GPA would not be able to receive additional scholarship funding, however. Further, the change preserves the collaboration with the private sector donors (potential employers) that have funded 50% of the scholarship for these students, as both state dollars and private sector dollars must be repaid.
- **Section 2, Subsection 9:** Adds language to provide forbearance and/or cancellation under certain conditions.
- **Sections 3 and 4:** Provides some funding to the NDUS to promote and administer the programs. This legislation is about relationship-building, which requires continual and focused outreach to employers, institutions and students. This funding will help in this aspect as the partners continue to collaborate.
- **Section 5:** Provides for a transfer of the remaining balance of the funds to the NDUS to perpetuate the program into the future.

Current statistics for the program, as well as the in-demand list, are attached for your reference. This concludes my testimony in support of Engrossed SB2272, and I will stand for questions from the committee.

Attachment-ND Career Builder Statistics; In-Demand Occupations List

Program Statistics 3/12/2021	SCHOLARSHIP	LOAN REPAYMENT
# of Approved Applicants	85	12
# of Unique Donors	48	9
*Private Sector \$ Received by NDUS (not matched to students)	\$25,000	\$0
*Private Sector \$ Committed (matched to students)	\$216,345	\$78,140
*State \$ Committed (matched to students)	\$216,340	\$78,140
# Graduated & Working in ND	14	12
# on GPA Probation (GPA 2.13 - 2.42)	6	n/a
# in Repayment/ Amt\$ / Total Recovered	7 / \$31,636 / \$8,150	n/a
<b>Programs Enrolled (Scholarship)</b>  -OR-  <b>High-Need and Emerging Occupation Filled (Loan Repayment)</b>	Agriculture (5) Agriculture Industry & Technology (Agronomy) (2) Architectural Drafting & Estimating Technology Auto Body Repair & Refinishing Technology Automotive Technology (3) Building Construction Technology Carpentry (Residential) Construction Management Technology Cyber Security & Computer Networks (4) Diesel Technology (6) Electrical Technology (6) EMS-Paramedic EMT Technology Energy Services and Renewable Technician (2) Farm & Ranch Mgmt / Agribusiness Mgmt (5) Geographic Info System Tech Health Information Technician Heating, Ventilation & AC/HVAC/R Tech (6) Human Resource & Organizational Leadership Instrumentation and Control Technology (4) John Deere Ag Tech Land Surveying & Civil Engineering Technology (3) Lineworker (Electrical) (7) Mechanical Maintenance Technology (3) Medical Assistant Medical Laboratory Technician Pharmacy Technician (3) Plumbing Power Plant Technology (3) Practical Nurse/Nursing (2) Precision Machining Technology Process Plant Technology (2) Surgical Technology Welding / Welding Technology (4)	Bus & Truck Mechanic  Carpenter  Construction Manager  Farm Equipment Mechanic & Service Technician (4)  Mechanical Engineer  Mobile Heavy Equipment Mechanic  Registered Nurse (2)  Transportation Engineer
<b>Distribution of Applicants</b>	Bismarck State College (43) Dakota College at Bottineau (1) Lake Region State College (3) Lynnes Welding Training (1) North Dakota State College of Science (35) Rasmussen College Fargo (2)	Bismarck (2) Fargo (5) McVille (1) Minot (1) Northwood (1) Rugby (1) West Fargo (1)

\*Private-sector committed dollars are matched with state funds at the point in time an application is approved by the NDUS.

ND Career Builders Private-Sector Donor (private sector \$ received)	Scholarship or Loan Repayment
American Bank Center	Scholarship
Arthur and Edith Pearson Foundation	Scholarship
Brosz Engineering, Inc.	Scholarship
Cavalier Do It Best Lumber	Scholarship
CHS Foundation	Scholarship
Comstock Construction, Inc.	Scholarship
Cottingham Insurance	Scholarship
Crossroads Repair LLC	Scholarship
Dakota Pharmacy	Scholarship
Dakota Refrigeration	Scholarship
Doosan Bobcat North America	Scholarship
Fisher Industries	Scholarship
General Equipment & Supplies, Inc.	Loan Repayment
General Equipment & Supplies, Inc.	Scholarship
Great River Energy	Scholarship
H.A. Thompson & Sons	Scholarship
Karen Oster-Lloyd Ritchie Memorial	Scholarship
Keller Paving & Landscaping, Inc.	Scholarship
Korber Medipak Systems NA	Scholarship
Kountry Kids 4H	Scholarship
Lake Chevrolet Buick GMC	Scholarship
LG Homes	Scholarship
Marketplace Motors	Scholarship
Microsoft	Scholarship
Modern Auto Body	Scholarship
Mowbray & Son Plumbing and Heating, Inc.	Loan Repayment
ND Association of County Engineers	Scholarship
ND State Electrical Board	Scholarship
Nelson International dba Nelson Leasing, Inc.	Loan Repayment
NODAK Electric	Scholarship
Otter Tail Power Company Foundation	Scholarship
Pro-Mark Services, Inc.	Loan Repayment
Rugby Job Development Authority	Loan Repayment
Sanford Health-Fargo	Loan Repayment
Schmitt's Plumbing, Heating & Sheetmetal, Inc.	Scholarship
Scott's Electric	Scholarship
Service Tire, Inc.	Scholarship
Sheyenne Mechanical	Scholarship
Stantec Consulting Services, Inc.	Loan Repayment
True North Equipment	Loan Repayment
True North Equipment	Scholarship
Underwood School	Scholarship
West Edge Farms	Scholarship
14 Private-Sector Donors - No Release Provided	Scholarship & Loan Repayment



## EDUCATION

- Elementary & Middle School Teacher
- Preschool Teachers, Except Special Education
- Secondary School Teacher
- Special Education Teacher (K-12)



## ENGINEERING AND ARCHITECTURE

- Electrical Engineer
- Electrical & Electronic Engineering Technician
- Engineers
- Mechanical Engineer
- Mining & Geological Engineer
- Petroleum Engineer
- Transportation Engineers



## INFORMATION TECHNOLOGY

- Actuaries
- Clinical Data Manager
- Computer Network Support Specialist
- Computer Programmers
- Computer System Analyst
- Computer User Support Specialist
- Database Administrators
- Information Security Analyst
- Intelligence Analysts
- Operations Research Analyst
- Software Developer (Applications)
- Software Developer (Systems)
- Software Quality Assurance Engineer & Tester



## FINANCIAL

- Accountant & Auditor
- Compensation & Benefits Manager
- Financial Analyst
- Management Analyst
- Market Research Analyst & Marketing Specialist
- Personal Financial Advisors
- Sales Agent, Securities, Commodities & Financial



## HEALTHCARE

- Dental Hygienist
- Diagnostic Medical Sonographer
- Licensed Practical Nurse
- Medical & Clinical Lab Technologist/Technician
- MRI Technologist
- Nurse Assistant
- Physical Therapist Assistant
- Radiologic Technologist
- Registered Nurse
- Substance Abuse & Behavioral Disorder Counselor



## PROFESSIONAL/OTHER

Human Resources Specialist  
 Training & Development Specialist  
 Soil & Plant Scientist



## TRANSPORTATION

Bus & Truck Mechanic  
 Commercial Pilots  
 Heavy & Tractor Trailer Truck Driver



## MANAGEMENT

Computer & Information Systems Manager  
 Construction Manager  
 Financial Manager  
 General & Operations Manager  
 Marketing Manager  
 Medical & Health Services Manager  
 Social & Community Services Manager



## SKILLED TRADE

Aircraft Mechanics and Service Technicians  
 Carpenter  
 Construction Building Inspectors  
 Electrical Powerline Installer & Repairer  
 Electrician  
 Environmental Scientist & Specialist  
 Farm Equipment Mechanic &  
 Service Technician  
 Firefighter  
 Gas Plant Operator  
 Heating, Ventilation, Air Conditioning  
 Technician  
 Industrial Machinery Mechanic  
 Maintenance & Repair Worker  
 Mobile Heavy Equipment Mechanic  
 Petroleum Pump System Operator,  
 Refinery Operator & Gauger  
 Plumber, Pipefitter, & Steamfitter  
 Welder  
 Wind Turbine Technician



## SALES

Sales Engineer  
 Sales Representative, Technical & Scientific



## SOCIAL SERVICES

Child, Family, & School Social Worker  
 Childcare Workers  
 Police Patrol Officers

The in-demand occupations list was primarily created using long-term employment projections from the North Dakota Labor Market Information Center and supplemented by data from the U.S. Bureau of Labor Statistics. The list is reviewed and updated annually by the Workforce Development Council with assistance from Job Service North Dakota. The list is primarily comprised of occupations that typically require some postsecondary education up to and including a [Bachelor's degree](#). The factors used in creating the list are below:

- Total Employment (2019)
- Ten-year Numeric Job Growth (2016-2026)
- Annualized Job Growth Rate (2016-2026)
- Annual Job Openings (2016-2026)
- Average Annual Wages (2019)
- Essential and Emerging Occupations

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