

Fifty-ninth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2206

Introduced by

Senators Brown, Nelson, Traynor

Representatives Aarsvold, D. Johnson, Sitte

1 A BILL for an Act to provide a statement of legislative intent regarding the allocation of certain  
2 funding appropriated to higher education institutions.

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

4 **SECTION 1. LEGISLATIVE INTENT - HIGHER EDUCATION EQUITY AND PARITY**

5 **FUNDING.** It is the intent of the legislative assembly that any increase in funding provided from  
6 the general fund for higher education institutions is to be allocated on the following priority  
7 basis:

- 8 1. First, until all institutions are funded at least sixty-five percent of their individual  
9 ninety-five percent peer benchmark, any additional funding must be allocated sixty  
10 percent to parity to be distributed proportionately to all institutions and forty percent  
11 to equity, with the equity funding to be distributed as follows:
  - 12 a. First, the funds must be distributed to the institution that is furthest from the  
13 sixty-five percent target until that institution reaches the funding level of the  
14 next institution that is furthest from the sixty-five percent target.
  - 15 b. Next, the funds must be distributed proportionately to those two institutions  
16 until the institutions reach the funding level of the next institution that is  
17 furthest from the sixty-five percent target.
  - 18 c. Next, the funds must be distributed proportionately to those three institutions  
19 until the institutions reach the funding level of the next institution that is  
20 furthest from the sixty-five percent target.
  - 21 d. The funds shall continue to be distributed proportionately to institutions in the  
22 same manner until all institutions reach the level of sixty-five percent of their  
23 individual ninety-five percent peer benchmark.

- 1           2.    Second, until all institutions are funded at least seventy-five percent of their  
2                    individual ninety-five percent peer benchmark, additional funding must be allocated  
3                    seventy percent to parity to be distributed proportionately to all institutions and  
4                    thirty percent to equity, with the equity funding to be distributed proportionately to  
5                    institutions in the same manner as described in subsection 1 until all institutions  
6                    reach the level of seventy-five percent of their individual ninety-five percent peer  
7                    benchmark.
- 8           3.    Third, after all institutions are funded at a level equal to at least seventy-five  
9                    percent of their ninety-five percent peer benchmarks, additional funding must be  
10                   allocated eighty percent to parity to be distributed proportionately to all institutions  
11                   and twenty percent to equity, to be distributed according to the long-term finance  
12                   plan adopted by the state board of higher education.