

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota
2 university system; to create and enact ~~section 15-18.2-06.1 and~~ a new chapter to title 15 of the
3 North Dakota Century Code, relating to ~~a higher education funding formula minimum amount~~
4 ~~payable and~~ a university system capital building fund; to amend and reenact subdivision c of
5 subsection 1 of section 15-10-48, subdivision k of subsection 1 of section 15-18.2-02, ~~and~~
6 sections 15-18.2-03, 15-18.2-05, and 54-44.1-11 of the North Dakota Century Code and
7 section 2 of chapter 53 of the 2019 Session Laws, relating to matching grants for the
8 advancement of academics, the higher education funding formula ~~and~~, the cancellation of
9 unexpended appropriations, and appropriations for higher education capital projects; ~~to amend~~
10 ~~and reenact section 2 of chapter 53 of the 2019 Session Laws, relating to appropriations for~~
11 ~~higher education capital projects~~; to repeal subdivision d of subsection 1 of section 15-10-48
12 and section 15-18.2-04 of the North Dakota Century Code, relating to the eligibility of the
13 university of North Dakota school of medicine and health sciences to receive a matching grant
14 for the advancement of academics and the institutional size factor of the higher education
15 funding formula; to provide for a transfer; to provide for a report; to provide an exemption; to
16 provide for a study; to provide a statement of legislative intent; to provide a continuing
17 appropriation; and to declare an emergency.

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

19 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
20 as may be necessary, are appropriated out of any moneys in the general fund in the state
21 treasury, not otherwise appropriated, and from special funds derived from federal funds and
22 other income, to the state board of higher education and to the entities and institutions under
23 the supervision of the board, for the purpose of defraying the expenses of the state board of

1 higher education and the entities and institutions under the control of the board, for the
2 biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

3 Subdivision 1.

4 NORTH DAKOTA UNIVERSITY SYSTEM

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Capital assets - bond payments	\$8,425,816	\$13,385,264
8	Competitive research programs	0	5,685,750
9	System governance	81,471	8,819,338
10	Core technology services	740,101	63,026,229
11	Student financial assistance grants	2,400,000	26,317,306
12	<u>System governance</u>	<u>(132,297)</u>	<u>8,605,570</u>
13	<u>Core technology services</u>	<u>676,689</u>	<u>62,962,817</u>
14	<u>Student financial assistance grants</u>	<u>0</u>	<u>23,917,306</u>
15	Professional student exchange program	0	3,699,342
16	Academic and CTE scholarships	4,200,000	16,216,749
17	Scholars program	0	1,807,115
18	Native American scholarship	0	555,323
19	Tribally controlled community	0	1,000,000
20	college grants		
21	Education incentive programs	0	260,000
22	Student mental health	0	284,400
23	Veterans' assistance grants	0	277,875
24	Shared campus services	300,000	800,000
25	Nursing education consortium	1,356,000	1,356,000
26	Math pathways	150,000	150,000
27	<u>Dakota digital academy</u>	<u>200,000</u>	<u>200,000</u>
28	<u>Education challenge fund</u>	<u>11,150,000</u>	<u>11,150,000</u>
29	NASA EPSCoR	<u>0</u>	<u>342,000</u>
30	Total all funds	\$17,653,388	\$143,982,691
31	Less estimated income	276,821	24,279,027

Sixty-seventh
Legislative Assembly

1	Total general fund	\$102,327,097	\$17,376,567	\$119,703,664
2	Total all funds	\$126,329,303	\$24,820,208	\$151,149,511
3	Less estimated income	24,002,206	454,829	24,457,035
4	Total general fund	\$102,327,097	\$24,365,379	\$126,692,476
5	Full-time equivalent positions	148.90	9.93	158.83

6 Subdivision 2.

7 BISMARCK STATE COLLEGE

8		Adjustments or		
9		Base Level	Enhancements	Appropriation
10	Operations	\$98,743,682	\$1,788,163	\$100,531,845
11	Capital assets	1,922,561	0	1,922,561
12	Total all funds	\$100,666,243	\$1,788,163	\$102,454,406
13	Less estimated income	69,598,016	782,330	70,380,346
14	Total general fund	\$31,068,227	\$1,005,833	\$32,074,060
15	Operations	\$98,743,682	\$1,827,705	\$100,571,387
16	Capital assets	1,922,561	0	1,922,561
17	Total all funds	\$100,666,243	\$1,827,705	\$102,493,948
18	Less estimated income	69,598,016	811,877	70,409,893
19	Total general fund	\$31,068,227	\$1,015,828	\$32,084,055
20	Full-time equivalent positions	323.93	8.97	332.90

21 Subdivision 3.

22 LAKE REGION STATE COLLEGE

23		Adjustments or		
24		Base Level	Enhancements	Appropriation
25	Operations	\$37,559,127	\$1,588,168	\$39,147,295
26	Capital assets	362,667	363,000	725,667
27	Total all funds	\$37,921,794	\$1,951,168	\$39,872,962
28	Less estimated income	24,976,514	658,619	25,635,133
29	Total general fund	\$12,945,280	\$1,292,549	\$14,237,829
30	Operations	\$37,559,127	\$1,591,786	\$39,150,913
31	Capital assets	362,667	363,000	725,667

Sixty-seventh
Legislative Assembly

1	Total all funds	\$37,921,794	\$1,954,786	\$39,876,580
2	Less estimated income	24,976,514	657,914	25,634,428
3	Total general fund	\$12,945,280	\$1,296,872	\$14,242,152
4	Full-time equivalent positions	118.10	(2.34)	115.76
5	Subdivision 4.			

WILLISTON STATE COLLEGE

		Adjustments or		
	Base Level	Enhancements	Appropriation	
9	Operations	\$32,596,060	\$1,452,908	\$34,048,968
10	Capital assets	1,261,968	0	1,261,968
11	Total all funds	\$33,858,028	\$1,452,908	\$35,310,936
12	Less estimated income	23,790,285	237,339	24,027,624
13	Total general fund	\$10,067,743	\$1,215,569	\$11,283,312
14	Operations	\$32,596,060	\$1,448,244	\$34,044,304
15	Capital assets	1,261,968	0	1,261,968
16	Total all funds	\$33,858,028	\$1,448,244	\$35,306,272
17	Less estimated income	23,790,285	229,250	24,019,535
18	Total general fund	\$10,067,743	\$1,218,994	\$11,286,737
19	Full-time equivalent positions	100.48	0.81	101.29
20	Subdivision 5.			

UNIVERSITY OF NORTH DAKOTA

		Adjustments or		
	Base Level	Enhancements	Appropriation	
24	Operations	\$888,106,266	\$15,637,951	\$903,744,217
25	Capital assets	4,411,566	0	4,411,566
26	Total all funds	\$892,517,832	\$15,637,951	\$908,155,783
27	Less estimated income	744,185,677	11,777,467	755,963,144
28	Total general fund	\$148,332,155	\$3,860,484	\$152,192,639
29	Operations	\$888,106,266	\$15,164,018	\$903,270,284
30	Capital assets	4,411,566	0	4,411,566
31	Total all funds	\$892,517,832	\$15,164,018	\$907,681,850

Sixty-seventh
Legislative Assembly

1	<u>Less estimated income</u>	<u>744,185,677</u>	<u>11,472,094</u>	<u>755,657,771</u>
2	<u>Total general fund</u>	<u>\$148,332,155</u>	<u>\$3,691,924</u>	<u>\$152,024,079</u>
3	Full-time equivalent positions	2,132.17	(72.19)	2,059.98
4	Subdivision 6.			

NORTH DAKOTA STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>		<u>Appropriation</u>
8	Operations	\$743,775,571	\$12,770,712	\$756,546,283
9	Capital assets	7,799,104	0	7,799,104
10	Total all funds	\$751,574,675	\$12,770,712	\$764,345,387
11	Less estimated income	618,859,692	6,692,288	625,551,980
12	Total general fund	\$132,714,983	\$6,078,424	\$138,793,407
13	<u>Operations</u>	<u>\$743,775,571</u>	<u>\$12,398,750</u>	<u>\$756,174,321</u>
14	<u>Capital assets</u>	<u>7,799,104</u>	<u>0</u>	<u>7,799,104</u>
15	<u>Total all funds</u>	<u>\$751,574,675</u>	<u>\$12,398,750</u>	<u>\$763,973,425</u>
16	<u>Less estimated income</u>	<u>618,859,692</u>	<u>6,557,408</u>	<u>625,417,100</u>
17	<u>Total general fund</u>	<u>\$132,714,983</u>	<u>\$5,841,342</u>	<u>\$138,556,325</u>
18	Full-time equivalent positions	1,870.16	(40.73)	1,829.43
19	Subdivision 7.			

NORTH DAKOTA STATE COLLEGE OF SCIENCE

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>		<u>Appropriation</u>
23	Operations	\$95,725,411	(\$213,890)	\$95,511,521
24	Capital assets	1,012,379	0	1,012,379
25	Total all funds	\$96,737,790	(\$213,890)	\$96,523,900
26	Less estimated income	60,195,768	624,033	60,819,801
27	Total general fund	\$36,542,022	(\$837,923)	\$35,704,099
28	<u>Operations</u>	<u>\$95,725,411</u>	<u>(\$177,946)</u>	<u>\$95,547,465</u>
29	<u>Capital assets</u>	<u>1,012,379</u>	<u>0</u>	<u>1,012,379</u>
30	<u>Total all funds</u>	<u>\$96,737,790</u>	<u>(\$177,946)</u>	<u>\$96,559,844</u>
31	<u>Less estimated income</u>	<u>60,195,768</u>	<u>649,284</u>	<u>60,845,052</u>

Sixty-seventh
Legislative Assembly

1	<u>Total general fund</u>	<u>\$36,542,022</u>	<u>(\$827,230)</u>	<u>\$35,714,792</u>
2	Full-time equivalent positions	310.73	0.88	311.61
3	Subdivision 8.			

DICKINSON STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
7	Operations	\$48,560,994	\$2,245,941	\$50,806,935
8	Capital assets	409,078	0	409,078
9	Total all funds	\$48,970,072	\$2,245,941	\$51,216,013
10	Less estimated income	30,577,009	405,018	30,982,027
11	Total general fund	\$18,393,063	\$1,840,923	\$20,233,986
12	<u>Operations</u>	<u>\$48,560,994</u>	<u>\$2,265,066</u>	<u>\$50,826,060</u>
13	<u>Capital assets</u>	<u>409,078</u>	<u>0</u>	<u>409,078</u>
14	<u>Total all funds</u>	<u>\$48,970,072</u>	<u>\$2,265,066</u>	<u>\$51,235,138</u>
15	<u>Less estimated income</u>	<u>30,577,009</u>	<u>415,399</u>	<u>30,992,408</u>
16	<u>Total general fund</u>	<u>\$18,393,063</u>	<u>\$1,849,667</u>	<u>\$20,242,730</u>
17	Full-time equivalent positions	213.26	(37.76)	175.50
18	Subdivision 9.			

MAYVILLE STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
22	Operations	\$47,719,555	\$2,809,482	\$50,529,037
23	Capital assets	358,992	0	358,992
24	Total all funds	\$48,078,547	\$2,809,482	\$50,888,029
25	Less estimated income	31,657,931	558,339	32,216,270
26	Total general fund	\$16,420,616	\$2,251,143	\$18,671,759
27	<u>Operations</u>	<u>\$47,719,555</u>	<u>\$2,883,721</u>	<u>\$50,603,276</u>
28	<u>Capital assets</u>	<u>358,992</u>	<u>0</u>	<u>358,992</u>
29	<u>Total all funds</u>	<u>\$48,078,547</u>	<u>\$2,883,721</u>	<u>\$50,962,268</u>
30	<u>Less estimated income</u>	<u>31,657,931</u>	<u>624,509</u>	<u>32,282,440</u>

Sixty-seventh
Legislative Assembly

1	<u>Total general fund</u>	<u>\$16,420,616</u>	<u>\$2,259,212</u>	<u>\$18,679,828</u>
2	Full-time equivalent positions	209.27	21.08	230.35
3	Subdivision 10.			

MINOT STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
7	Operations	\$102,325,073	\$1,786,019	\$104,111,092
8	Capital assets	1,099,620	0	1,099,620
9	Total all funds	\$103,424,693	\$1,786,019	\$105,210,712
10	Less estimated income	63,528,000	493,882	64,021,882
11	Total general fund	\$39,896,693	\$1,292,137	\$41,188,830
12	<u>Operations</u>	<u>\$102,325,073</u>	<u>\$1,829,704</u>	<u>\$104,154,777</u>
13	<u>Capital assets</u>	<u>1,099,620</u>	<u>0</u>	<u>1,099,620</u>
14	<u>Total all funds</u>	<u>\$103,424,693</u>	<u>\$1,829,704</u>	<u>\$105,254,397</u>
15	<u>Less estimated income</u>	<u>63,528,000</u>	<u>519,767</u>	<u>64,047,767</u>
16	<u>Total general fund</u>	<u>\$39,896,693</u>	<u>\$1,309,937</u>	<u>\$41,206,630</u>
17	Full-time equivalent positions	407.58	(4.54)	403.04
18	Subdivision 11.			

VALLEY CITY STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
22	Operations	\$48,176,928	\$1,875,867	\$50,052,795
23	Capital assets	455,823	0	455,823
24	Total all funds	\$48,632,751	\$1,875,867	\$50,508,618
25	Less estimated income	25,973,818	383,860	26,357,678
26	Total general fund	\$22,658,933	\$1,492,007	\$24,150,940
27	<u>Operations</u>	<u>\$48,176,928</u>	<u>\$1,906,472</u>	<u>\$50,083,400</u>
28	<u>Capital assets</u>	<u>455,823</u>	<u>0</u>	<u>455,823</u>
29	<u>Total all funds</u>	<u>\$48,632,751</u>	<u>\$1,906,472</u>	<u>\$50,539,223</u>
30	<u>Less estimated income</u>	<u>25,973,818</u>	<u>404,028</u>	<u>26,377,846</u>

Sixty-seventh
Legislative Assembly

1	<u>Total general fund</u>	<u>\$22,658,933</u>	<u>\$1,502,444</u>	<u>\$24,161,377</u>
2	Full-time equivalent positions	180.68	22.09	202.77
3	Subdivision 12.			
4	DAKOTA COLLEGE AT BOTTINEAU			
5			Adjustments or	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Operations	\$21,440,606	\$2,177,944	\$23,618,550
8	Capital assets	114,007	4,000,000	4,114,007
9	Total all funds	\$21,554,613	\$6,177,944	\$27,732,557
10	Less estimated income	13,813,787	4,383,803	18,197,590
11	Total general fund	\$7,740,826	\$1,794,141	\$9,534,967
12	<u>Operations</u>	<u>\$21,440,606</u>	<u>\$2,199,449</u>	<u>\$23,640,055</u>
13	<u>Capital assets</u>	<u>114,007</u>	<u>4,000,000</u>	<u>4,114,007</u>
14	<u>Total all funds</u>	<u>\$21,554,613</u>	<u>\$6,199,449</u>	<u>\$27,754,062</u>
15	<u>Less estimated income</u>	<u>13,813,787</u>	<u>4,402,413</u>	<u>18,216,200</u>
16	<u>Total general fund</u>	<u>\$7,740,826</u>	<u>\$1,797,036</u>	<u>\$9,537,862</u>
17	Full-time equivalent positions	82.29	9.57	91.86
18	Subdivision 13.			
19	UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES			
20			Adjustments or	
21		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22	Operations	\$213,244,364	\$3,870,855	\$217,115,219
23	Health care workforce initiative	10,676,150	0	10,676,150
24	Total all funds	\$223,920,514	\$3,870,855	\$227,791,369
25	Less estimated income	159,037,011	1,728,353	160,765,364
26	Total general fund	\$64,883,503	\$2,142,502	\$67,026,005
27	<u>Operations</u>	<u>\$213,244,364</u>	<u>\$3,911,740</u>	<u>\$217,156,104</u>
28	<u>Health care workforce initiative</u>	<u>10,676,150</u>	<u>0</u>	<u>10,676,150</u>
29	<u>Total all funds</u>	<u>\$223,920,514</u>	<u>\$3,911,740</u>	<u>\$227,832,254</u>
30	<u>Less estimated income</u>	<u>159,037,011</u>	<u>1,769,238</u>	<u>160,806,249</u>

1	<u>Total general fund</u>	<u>\$64,883,503</u>	<u>\$2,142,502</u>	<u>\$67,026,005</u>
2	Full-time equivalent positions	485.32	7.35	492.67
3	Subdivision 14.			

NORTH DAKOTA FOREST SERVICE

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
7	Operations	\$15,223,336	\$112,394	\$15,335,730
8	Capital assets	118,728	0	118,728
9	Total all funds	\$15,342,064	\$112,394	\$15,454,458
10	Less estimated income	10,665,400	3,333	10,668,733
11	Total general fund	\$4,676,664	\$109,061	\$4,785,725
12	<u>Operations</u>	<u>\$15,223,336</u>	<u>\$119,729</u>	<u>\$15,343,065</u>
13	<u>Capital assets</u>	<u>118,728</u>	<u>0</u>	<u>118,728</u>
14	<u>Total all funds</u>	<u>\$15,342,064</u>	<u>\$119,729</u>	<u>\$15,461,793</u>
15	<u>Less estimated income</u>	<u>10,665,400</u>	<u>3,915</u>	<u>10,669,315</u>
16	<u>Total general fund</u>	<u>\$4,676,664</u>	<u>\$115,814</u>	<u>\$4,792,478</u>
17	Full-time equivalent positions	27.00	1.00	28.00

Subdivision 15.

TOTAL - SECTION 1

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
22	Grand total general fund	\$648,667,805	\$40,913,417	\$689,581,222
23	Grand total special funds	1,900,861,114	29,005,485	1,929,866,599
24	Grand total all funds	\$2,549,528,919	\$69,918,902	\$2,619,447,821
25	<u>Grand total general fund</u>	<u>\$648,667,805</u>	<u>\$47,579,721</u>	<u>\$696,247,526</u>
26	<u>Grand total special funds</u>	<u>1,900,861,114</u>	<u>28,971,925</u>	<u>1,929,833,039</u>
27	<u>Grand total all funds</u>	<u>\$2,549,528,919</u>	<u>\$76,551,646</u>	<u>\$2,626,080,565</u>

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the 2021-23 biennium one-time funding items included in section 1 of this Act:

Sixty-seventh
Legislative Assembly

1	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
2	Capital projects - other funds	\$408,500,000	\$4,363,000
3	North Dakota state university settlement agreement	0	125,000
4	Math pathways	0	150,000
5	<u>Dakota digital academy</u>	<u>0</u>	<u>200,000</u>
6	<u>Education challenge grants</u>	<u>0</u>	<u>11,150,000</u>
7	Education challenge grants	9,400,000	0
8	School of law matching grants	250,000	0
9	Tier II and tier III capital building funds	29,000,000	0
10	Theodore Roosevelt digitization	200,000	0
11	University of North Dakota campus network upgrades	1,500,000	0
12	North Dakota state university campus network upgrades	<u>1,500,000</u>	<u>0</u>
13	Total all funds	\$450,350,000	\$4,638,000
14	Total other funds	438,500,000	4,363,000
15	Total general fund	\$11,850,000	\$275,000
16	<u>Total all funds</u>	<u>\$450,350,000</u>	<u>\$15,713,000</u>
17	<u>Total other funds</u>	<u>438,500,000</u>	<u>4,563,000</u>
18	<u>Total general fund</u>	<u>\$11,850,000</u>	<u>\$11,150,000</u>

19 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget
 20 for the 2023-25 biennium. The institutions and entities under the control of the state board of
 21 higher education shall report to the appropriations committees of the sixty-eighth legislative
 22 assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and
 23 ending June 30, 2023.

24 ~~SECTION 3. APPROPRIATION - 2019-21 BIENNIUM - NORTH DAKOTA STATE~~
 25 ~~UNIVERSITY. There is appropriated out of any moneys in the general fund in the state treasury,~~
 26 ~~not otherwise appropriated, the sum of \$474,657, or so much of the sum as may be necessary,~~
 27 ~~to North Dakota state university for litigation fees relating to the A. Glenn Hill center project, for~~
 28 ~~the period beginning with the effective date of this Act, and ending June 30, 2021.~~

29 **SECTION 3. APPROPRIATION - VALLEY CITY STATE UNIVERSITY - PURCHASE OF**
 30 **LAND AUTHORIZED.** The state board of higher education, acting for and through Valley City
 31 state university, is authorized to purchase two parcels of land in Barnes county, described as

1 the south half of the east one-third of lot one, block four, of Andrus and Sifton's addition to the
2 city of Valley City, and the south one hundred feet of the west one-third of the east half and the
3 east one-third of the west half of lot one, block four, in Andrus and Sifton's addition to the city of
4 Valley City, from the Valley City state university foundation for the use and betterment of Valley
5 City state university. There is appropriated from other funds the sum of \$309,000, or so much of
6 the sum as may be necessary, to Valley City state university for the purposes of this section for
7 the period beginning with the effective date of this Act and ending June 30, 2023. The funding
8 provided in this section is considered a one-time funding item.

9 **SECTION 4. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -**

10 **APPROPRIATION.** All funds, in addition to those appropriated in section 1 of this Act, from
11 federal, private, and other sources for competitive grants or other funds that the legislative
12 assembly has not indicated the intent to reject, including tuition revenue, received by the state
13 board of higher education and the institutions and entities under the control of the state board of
14 higher education, are appropriated to the board and those institutions and entities, for the
15 biennium beginning July 1, 2021, and ending June 30, 2023. All additional funds received under
16 the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2021,
17 and ending June 30, 2023, are appropriated to the state board of higher education for
18 reimbursement to institutions under the control of the board.

19 **SECTION 5. TRANSFER - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE**

20 **AND HEALTH SCIENCES OPERATIONS.** The operations line item in subdivision 5 of section 1
21 of this Act includes a funding allocation from the higher education per student credit-hour
22 funding formula attributable to inflation during the biennium beginning July 1, 2021, and ending
23 June 30, 2023. Based on the recommendation of the commissioner of higher education, a
24 portion of the allocation may be transferred by the state board of higher education between the
25 university of North Dakota school of medicine and health sciences and the university of North
26 Dakota.

27 ~~**SECTION 7. UNSPENT FUNDS - TRANSFER - BANK OF NORTH DAKOTA PROFITS -**~~

28 ~~**GENERAL FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** Any amounts from the~~
29 ~~\$17,000,000 from the current earnings and accumulated profits of the Bank of North Dakota for~~
30 ~~the tier II and tier III capital building fund program and any amounts from the \$2,000,000 from~~
31 ~~the general fund for the tier III capital building fund program appropriated in section 1 of~~

1 ~~chapter 3 of the 2019 Session Laws which are not matched and committed for a project by~~
2 ~~June 30, 2021, must be transferred to the university system capital building fund at the end of~~
3 ~~the biennium beginning July 1, 2019, and ending June 30, 2021.~~

4 **SECTION 6. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**

5 **UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget
6 shall transfer \$19,000,000 from the strategic investment and improvements fund to the
7 university system capital building fund during the period beginning with the effective date of this
8 Act, and ending June 30, 2023, as requested by the commissioner of higher education. Funding
9 transferred pursuant to this section is to be allocated to each institution as follows:

	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
11 Bismarck state college	\$425,693	\$500,000	\$925,693
12 Lake Region state college	177,375	500,000	677,375
13 Williston state college	137,947	500,000	637,947
14 University of North Dakota	4,361,801	2,250,000	6,611,801
15 North Dakota state university	2,899,596	2,250,000	5,149,596
16 North Dakota state college of science	500,695	500,000	1,000,695
17 Dickinson state university	268,862	500,000	768,862
18 Mayville state university	240,029	500,000	740,029
19 Minot state university	572,801	500,000	1,072,801
20 Valley City state university	309,137	500,000	809,137
21 Dakota college at Bottineau	<u>106,064</u>	<u>500,000</u>	<u>606,064</u>
22 Total	\$10,000,000	\$9,000,000	\$19,000,000

23 **SECTION 7. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding
24 from the respective institution's university system capital building fund allocation for the
25 following projects authorized by the sixty-sixth and sixty-seventh legislative assemblies:

26 North Dakota state university - Dunbar Hall	\$51,200,000
27 North Dakota state university - Agriculture products development center	60,000,000
28 <u>North Dakota state university - agriculture products development center</u>	<u>85,000,000</u>
29 <u>Lake Region state college - parking lot and infrastructure repair</u>	<u>250,000</u>
30 <u>Mayville state university - natural gas boiler</u>	<u>1,600,000</u>
31 <u>Williston state college - parking lot and infrastructure repair</u>	<u>850,000</u>

1	<u>Minot state university - Hartnett hall renovation</u>	<u>25,231,000</u>
2	<u>North Dakota state college of science - Hektner student center improvements</u>	<u>7,210,455</u>
3	<u>Dickinson state university - Dickinson sports center</u>	<u>7,000,000</u>
4	<u>Bismarck state college - cybersecurity technology center addition</u>	<u>3,200,000</u>
5	Dakota college at Bottineau - Old main renovation	4,000,000
6	<u>University of North Dakota - Merrifield hall and Twamley hall renovation</u>	<u>79,000,000</u>
7	University of North Dakota - Business school	<u>70,000,000</u>
8	Total	\$185,200,000
9	<u>Total</u>	<u>\$334,541,455</u>

10 **SECTION 8. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - LAKE REGION**

11 **STATE COLLEGE - DAKOTA COLLEGE AT BOTTINEAU - CAPITAL PROJECTS.** The
12 appropriation in subdivision 3 of section 1 of this Act includes the sum of \$363,000 from the
13 strategic investment and improvements fund for the Lake Region state college Curtis and
14 Annette Hofstad agricultural center project. The appropriation in subdivision 12 of section 1 of
15 this Act includes the sum of ~~\$2,000,000~~\$2,500,000 from the strategic investment and
16 improvements fund for the Dakota college at Bottineau old main renovation project.

17 **SECTION 9. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.** The
18 capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding
19 from the general fund for institution extraordinary repairs. An institution shall provide two dollars
20 of matching funds from operations or other sources for each one dollar of extraordinary repairs
21 funding used for a project.

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

- 24 c. The board may award up to one million seven hundred thousand dollars in
25 matching grants ~~to each institution~~to the university of North Dakota and North
26 Dakota state university, and up to one million five hundred thousand dollars in
27 matching grants for projects at the university of North Dakota school of medicine
28 and health sciences.

29 **SECTION 11. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the
30 North Dakota Century Code is amended and reenacted as follows:

- 1 k. The ~~factor~~factors for credits completed in career and technical education is-
2 ~~2.0~~are:
3 (1) 3.0 for lower division credits; and
4 (2) 5.0 for upper division credits.

5 **SECTION 12. AMENDMENT.** Section 15-18.2-03 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15-18.2-03. Credit completion factor - Determination.**

- 8 1. Except as provided in subsections 2 and 3 of this section, for each institution under its
9 control, the state board of higher education shall multiply the product determined
10 under section 15-18.2-02 by a factor of:
11 a. 1.00 if the number of credit-hours is at least 240,000;
12 b. 1.05 if the number of credit-hours is at least 180,000 but less than 240,000;
13 c. 1.10 if the number of credit-hours is at least ~~120,000~~135,000 but less than
14 180,000;
15 d. 1.15 if the number of credit-hours is at least ~~90,000~~130,000 but less than
16 ~~120,000~~135,000;
17 e. 1.20 if the number of credit-hours is at least ~~80,000~~120,000 but less than
18 ~~90,000~~130,000;
19 f. 1.30 if the number of credit-hours is at least 70,000 but less than ~~80,000~~120,000;
20 g. 1.40 if the number of credit-hours is at least 60,000 but less than 70,000;
21 h. 1.50 if the number of credit-hours is at least 50,000 but less than 60,000;
22 i. 1.60 if the number of credit-hours is at least 40,000 but less than 50,000;
23 j. 1.70 if the number of credit-hours is at least 30,000 but less than 40,000; and
24 k. 1.80 if the number of credit-hours is less than 30,000.
25 2. ~~If the square footage of an institution, when divided by the institution's weighted credit-~~
26 ~~hours results in a quotient greater than 5.00, the state board of higher education shall~~
27 ~~multiply the product determined under section 15-18.2-02 by a factor of 1.00. For~~
28 ~~purposes of this subsection, the square footage of an institution includes real property~~
29 ~~as determined by the state board of higher education in accordance with section~~
30 ~~15-18.2-04.~~

1 3. If the number of credit-hours completed by an institution ~~causes~~would cause a
2 decrease in the credit completion factor for that institution, ~~the new credit completion~~
3 factor ~~shall not be in effect for calculation purposes for the first two fiscal years~~
4 following the change compared to the credit completion factor the institution was
5 entitled to receive during the 2017-19 biennium, the state board of higher education
6 shall multiply the product determined under section 15-18.2-02 by a credit growth
7 factor of 1.0 for credits in excess of the factor the institution was entitled to receive
8 during the 2017-19 biennium. Any weighted credit-hours multiplied by a credit growth
9 factor under this section must have a weight of 1.0 under section 15-18.2-02. The
10 state board of higher education shall multiply the remaining weighted credits by the
11 credit completion factor the institution was entitled to receive during the 2017-19
12 biennium.

13 4.3. For purposes of this section, the number of credit-hours must be those determined by
14 the state board of higher education in accordance with section 15-18.2-01.

15 **SECTION 13. AMENDMENT.** Section 15-18.2-05 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15-18.2-05. Base funding - Determination of state aid.**

18 1. Except as provided under ~~subsection 2, in order~~subsections 2 and 3, to determine the
19 state aid payment to which each institution under its control is entitled, the state board
20 of higher education shall multiply the product determined under section
21 ~~15-18.2-04~~15-18.2-03 by a base amount of:

- 22 a. ~~\$60.87~~\$61.86~~\$61.81~~ in the case of North Dakota state university and the
23 university of North Dakota;
24 b. ~~\$90.98~~\$92.56~~\$92.60~~ in the case of Dickinson state university, Mayville state
25 university, Minot state university, and Valley City state university; and
26 c. ~~\$97.06~~\$98.81~~\$98.84~~ in the case of Bismarck state college, Dakota college at
27 Bottineau, Lake Region state college, North Dakota state college of science, and
28 Williston state college.

29 2. ~~An institution is entitled to an amount equal to seventy five percent of the product~~
30 ~~determined under subsection 1 for credits completed by students receiving a tuition~~
31 ~~waiver pursuant to section 54-12-35.~~For institutions under subdivision b of

1 subsection 1, the state board of higher education shall multiply the product determined
2 under section 15-18.2-03 for credits completed in instructional programs under
3 subdivision k of subsection 1 of section 15-18.2-02 by the base amount under
4 subdivision c of subsection 1.

5 3. For institutions under subdivision c of subsection 1, the state board of higher
6 education shall multiply the product determined under section 15-18.2-03 for upper
7 division credits completed in instructional programs under subdivisions a through j of
8 subsection 1 of section 15-18.2-02 by the base amount under subdivision b of
9 subsection 1.

10 ~~— **SECTION 15.** Section 15-18.2-06.1 of the North Dakota Century Code is created and~~
11 ~~enacted as follows:~~

12 ~~— **15-18.2-06.1. Base funding - Minimum amount payable.**~~

13 ~~— Notwithstanding any calculations required by this chapter, during each biennium beginning~~
14 ~~with the 2021-23 biennium, an institution may not receive less than ninety-six percent of the~~
15 ~~state aid to which the institution was entitled under this chapter during the previous biennium.~~

16 **SECTION 14.** A new chapter to title 15 of the North Dakota Century Code is created and
17 enacted as follows:

18 **University system capital building fund - Creation - Continuing appropriation.**

19 There is created in the state treasury the university system capital building fund. The
20 university system capital building fund consists of moneys transferred to the fund and any
21 interest and earnings of the fund. The state board of higher education may provide for the fund
22 to be invested under the supervision of the state investment board. Moneys in the fund are
23 appropriated to the state board of higher education on a continuing basis for allocations to the
24 institutions under the control of the state board of higher education for capital projects as
25 directed by the legislative assembly and in accordance with this chapter. Any interest or
26 earnings of the fund must be allocated to the capital building fund pool within the university
27 system capital building fund.

28 **Capital building funds - Uses - Reports.**

29 Subject to tier II and tier III capital building fund matching requirements under this chapter,
30 each institution may use its allocation of funds from the university system capital building fund
31 for projects specifically authorized by the legislative assembly to use university system capital

1 building fund moneys. In addition, after an institution has matched and committed seventy-five
2 percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to
3 state board of higher education approval and matching requirements under this chapter, each
4 institution may use its allocation of funds from the university system capital building fund for
5 extraordinary repairs and deferred maintenance projects that do not increase the overall square
6 footage of a building. The state board of higher education shall report biennially to the legislative
7 management and to the appropriations committees of the legislative assembly on the use of
8 funding in the university system capital building fund, the source of matching funds, and each
9 institution's five-year plan for capital construction spending.

10 **Tier II capital building funds - Matching requirements.**

11 The state board of higher education may allocate tier II capital building fund moneys to an
12 institution for a project only after the institution provides one dollar of matching funds from
13 operations or other sources for each one dollar from the university system capital building fund
14 for the project. An institution may not use tier I extraordinary repairs funding, tier III capital
15 building fund moneys, or state funding appropriated for a specific capital project as matching
16 funds under this section.

17 **Tier III capital building funds - Matching requirements.**

18 The state board of higher education may allocate tier III capital building fund moneys to an
19 institution only after the institution provides two dollars of matching funds from operations or
20 other sources for each one dollar from the university system capital building fund for the project.
21 An institution may not use tier I extraordinary repairs funding, tier II capital building fund
22 moneys, or state funding appropriated for a specific capital project as matching funds under this
23 section.

24 **Capital building fund pool.**

25 If the state board of higher education has not allocated capital building fund moneys to an
26 institution by January first of the third biennium after the funding was appropriated or transferred
27 to the fund, the board shall reallocate the funds to a pool within the university system capital
28 building fund. Any institution under the control of the state board of higher education that has
29 fully matched and committed its university system capital building fund allocation may apply for
30 and be allocated funding from the capital building fund pool, subject to state board of higher
31 education approval and tier III capital building fund matching requirements under this chapter.

1 **SECTION 15. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-44.1-11. Office of management and budget to cancel unexpended appropriations -**
4 **When they may continue. (Effective through July 31, ~~2024~~2023)**

5 Except as otherwise provided by law, the office of management and budget, thirty days after
6 the close of each biennial period, shall cancel all unexpended appropriations or balances of
7 appropriations after the expiration of the biennial period during which they became available
8 under the law. Unexpended appropriations for the state historical society are not subject to this
9 section and the state historical society shall report on the amounts and uses of funds carried
10 over from one biennium to the appropriations committees of the next subsequent legislative
11 assembly. Unexpended appropriations for the North Dakota university system are not subject to
12 this section and the North Dakota university system shall report on the amounts and uses of
13 funds carried over from one biennium to the next to subsequent appropriations committees of
14 the legislative assembly. The chairmen of the appropriations committees of the senate and
15 house of representatives of the legislative assembly with the office of the budget may continue
16 appropriations or balances in force for not more than two years after the expiration of the
17 biennial period during which they became available upon recommendation of the director of the
18 budget for:

- 19 1. New construction projects.
- 20 2. Major repair or improvement projects.
- 21 3. Purchases of new equipment costing more than ten thousand dollars per unit if it was
22 ordered during the first twelve months of the biennium in which the funds were
23 appropriated.
- 24 4. The purchase of land by the state on a "contract for deed" purchase if the total
25 purchase price is within the authorized appropriation.
- 26 5. Purchases by the department of transportation of roadway maintenance equipment
27 costing more than ten thousand dollars per unit if the equipment was ordered during
28 the first twenty-one months of the biennium in which the funds were appropriated.
- 29 6. Authorized ongoing information technology projects.

30 **Office of management and budget to cancel unexpended appropriations - When they**
31 **may continue. (Effective after July 31, ~~2024~~2023)** The office of management and budget,

1 thirty days after the close of each biennial period, shall cancel all unexpended appropriations or
2 balances of appropriations after the expiration of the biennial period during which they became
3 available under the law. Unexpended appropriations for the state historical society are not
4 subject to this section and the state historical society shall report on the amounts and uses of
5 funds carried over from one biennium to the appropriations committees of the next subsequent
6 legislative assembly. The chairmen of the appropriations committees of the senate and house of
7 representatives of the legislative assembly with the office of the budget may continue
8 appropriations or balances in force for not more than two years after the expiration of the
9 biennial period during which they became available upon recommendation of the director of the
10 budget for:

- 11 1. New construction projects.
- 12 2. Major repair or improvement projects.
- 13 3. Purchases of new equipment costing more than ten thousand dollars per unit if it was
14 ordered during the first twelve months of the biennium in which the funds were
15 appropriated.
- 16 4. The purchase of land by the state on a "contract for deed" purchase if the total
17 purchase price is within the authorized appropriation.
- 18 5. Purchases by the department of transportation of roadway maintenance equipment
19 costing more than ten thousand dollars per unit if the equipment was ordered during
20 the first twenty-one months of the biennium in which the funds were appropriated.
- 21 6. Authorized ongoing information technology projects.

22 **SECTION 16. AMENDMENT.** Section 2 of chapter 53 of the 2019 Session Laws is
23 amended and reenacted as follows:

24 **SECTION 2. APPROPRIATION - CAPITAL PROJECTS - EXEMPTION.**

- 25 1. Subject to the provisions of this section, the funds provided in this section, or so
26 much of the funds as may be necessary, are appropriated out of any moneys in
27 the general fund in the state treasury, not otherwise appropriated, to the following
28 institutions for the identified capital projects, for the period beginning with the
29 effective date of this Act, and ending June 30, 2019, as follows:

30 Bismarck state college Nursing Building	\$8,900,000
31 Dakota college at Bottineau dining hall and other projects	1,000,000

Sixty-seventh
Legislative Assembly

1	Lake Region state college precision agriculture project	1,000,000
2	North Dakota state university agriculture products	20,000,000
3	development center project	
4	North Dakota state university Dunbar Hall project	8,000,000
5	University of North Dakota Gamble Hall project	9,000,000
6	Valley City state university Communications and Fine Arts	<u>2,000,000</u>
7	Building project	
8	Total general fund	\$49,900,000

9 In accordance with section 54-44.1-11, any unaccepted funds from these
10 appropriations may be continued into the biennium beginning July 1, 2019, and ending
11 June 30, 2021.

- 12 2. The appropriation for the agriculture products development center project must
13 be continued into the biennium beginning July 1, 2019, and ending June 30,
14 2021, ~~and is available only if North Dakota state university certifies to the~~
15 ~~industrial commission and the director of the office of management and budget~~
16 ~~that \$20,000,000 of local and other funds has been obtained for the project or if~~
17 ~~North Dakota state university receives approval for a change in project scope~~
18 ~~from the legislative assembly or budget section pursuant to section 48-01.2-25.~~
- 19 3. The appropriation for the Gamble Hall project must be continued into the
20 biennium beginning July 1, 2019, and ending June 30, 2021, and is available only
21 if the university of North Dakota certifies to the industrial commission and the
22 director of the office of management and budget that \$55,000,000 of local and
23 other funds has been obtained for the project or if the university of North Dakota
24 receives approval for a change in project scope from the legislative assembly or
25 budget section pursuant to section 48-01.2-25.

26 **SECTION 17. REPEAL.** Subdivision d of subsection 1 of section 15-10-48 of the North
27 Dakota Century Code is repealed.

28 **SECTION 18. REPEAL.** Section 15-18.2-04 of the North Dakota Century Code is repealed.

29 **SECTION 19. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the
30 period beginning with the effective date of this Act, and ending June 30, 2023, each capital
31 project authorized by the state board of higher education must have adequate project

1 management oversight by either an institution official or a representative of an external entity.
2 An institution may seek assistance from the North Dakota university system office for project
3 management oversight of a capital project.

4 **SECTION 20. UNIVERSITY OF NORTH DAKOTA - TECHNOLOGY ACCELERATOR**

5 **BUILDING REFINANCING.** The state board of higher education, acting for and through the
6 university of North Dakota, may enter into a refinancing agreement with a private entity for the
7 technology accelerator building during the period beginning with the effective date of this Act
8 and ending June 30, 2023.

9 **SECTION 21. TRANSFER OF DAKOTA INSTITUTE INVENTORY.** Bismarck state college
10 may transfer any rights, title, interests, copyrights, and inventory of any of the Dakota institute's
11 publications, books, or other documents or productions, regardless of format, to the author or
12 producer of the document or production for the period beginning with the effective date of this
13 Act, and ending June 30, 2023.

14 **SECTION 22. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT**

15 **REPORT.** Notwithstanding section 54-16-04, the office of management and budget shall
16 transfer appropriation authority from the operations to the capital assets line items within
17 subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher
18 education for the biennium beginning July 1, 2021, and ending June 30, 2023. The board shall
19 report any transfer of funds under this section to the legislative management.

20 **SECTION 23. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.**

21 Notwithstanding any other provisions of law, the state board of higher education may adjust full-
22 time equivalent positions as needed, subject to the availability of funds, for institutions and
23 entities under its control during the biennium beginning July 1, 2021, and ending June 30, 2023.
24 The North Dakota university system shall report any adjustments to the office of management
25 and budget as part of the submission of the 2023-25 biennium budget request.

26 **SECTION 24. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts
27 remaining from the \$49,900,000 appropriated from the general fund for capital projects at
28 institutions under the control of the state board of higher education in section 2 of chapter 53 of
29 the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from
30 the appropriations are available to the respective institutions to complete the projects during the
31 biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 25. LEGISLATIVE MANAGEMENT STUDY - STUDENT AFFORDABILITY.

During the 2021-22 interim, the legislative management shall study higher education student affordability, including all forms of financial assistance available for students enrolled at institutions of higher education in the state. The study must include a review of available scholarships, student loan programs, waivers, grants, and any other forms of student financial assistance available for students enrolled at institutions of higher education in the state. The study must also include a review of the eligibility requirements and other criteria relating to each program, and their impact on the financial cost and utilization of each program. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 26. LEGISLATIVE MANAGEMENT STUDY - HIGHER EDUCATION FUNDING

STABILIZATION. During the 2021-22 interim, the legislative management shall consider studying higher education funding mechanisms, including private-public partnerships and distributions from permanent funds. The study must include potential mechanisms to stabilize funding for higher education, including funding mechanisms used in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 27. ~~STATE BOARD OF HIGHER EDUCATION~~ LEGISLATIVE MANAGEMENT STUDY - STUDY OF THE HIGHER EDUCATION FUNDING FORMULA--REPORT TO

~~LEGISLATIVE MANAGEMENT.~~ During the ~~period beginning July 1, 2021, and ending June 30, 2022~~ 2021-22 interim, the ~~state board of higher education~~ legislative management shall ~~study~~ consider studying the higher education funding formula, including instructional program classification factors. ~~The state board of higher education shall provide a report to the legislative management regarding any findings or recommended changes to the funding formula by June 30, 2022~~ The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 28. LEGISLATIVE INTENT - UNIVERSITY OF NORTH DAKOTA - NURSING EDUCATION CONSORTIUM.

It is the intent of the sixty-seventh legislative assembly that the university of North Dakota discontinue making payments to other institutions of higher education for costs relating to nursing education simulation laboratories.

1 **SECTION 29. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL**

2 **PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-seventh legislative
3 assembly that:

- 4 1. Veterinary medicine courses remain under the health sciences instructional program
5 classification within the higher education funding formula;
- 6 2. Computer and information sciences and support services courses be transferred to the
7 engineering instructional program classification within the higher education funding
8 formula; and
- 9 3. Lineworker; plumbing; powersports technology; heating, ventilating, air conditioning,
10 and refrigeration technology; diesel technology; mechanical systems; and machine
11 tooling courses be placed in an upper division under the career and technical
12 education instructional program classification within the higher education funding
13 formula.

14 **SECTION 30. EMERGENCY.** Sections ~~3, 4, 7, 8, 9, 10, 16, 18, 20, and 21~~3, 6, 7, 8, 14, 16,
15 19, 20, and 21 of this Act and the capital assets line items in section 1 of this Act are declared to
16 be an emergency measure.