

Introduced by

Senators Flakoll, Holmberg, O'Connell

Representatives Nathe, Sanford, Boe

1 A BILL for an Act to create and enact chapter 15-18.1 of the North Dakota Century Code,  
2 relating to the determination of funding for institutions of higher education; to provide for  
3 legislative intent; and to provide an expiration date.

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

5 **SECTION 1.** Chapter 15-18.1 of the North Dakota Century Code is created and enacted as  
6 follows:

7 **15-18.1-01. Credit-hours - Determination.**

8 1. For each institution under its control, the state board of higher education shall  
9 determine the number of credit-hours completed by students during the two-year  
10 period ending June thirtieth of each odd-numbered year.

11 2. For purposes of this section, a completed credit-hour is one for which a student met all  
12 institutional requirements and obtained a passing grade.

13 **15-18.1-02. Weighted credit-hours - Determination - Instructional program**  
14 **classification factors - Report.**

15 1. In order to determine the weighted credit-hours for each institution under its control,  
16 the state board of higher education shall multiply each of an institution's completed  
17 credit-hours, as determined under section 15-18.1-01, by an instructional program  
18 classification factor, as set forth in this section.

19 a. The factors for credits completed in agriculture are:

20 (1) 1.9 for lower division credits;

21 (2) 3.8 for upper division credits;

22 (3) 5.7 for professional level credits; and

23 (4) 7.6 for graduate level credits.

24 b. The factors for credits completed in architecture are:

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- 1           (1) 1.8 for lower division credits;  
2           (2) 3.6 for upper division credits;  
3           (3) 5.4 for professional level credits; and  
4           (4) 7.2 for graduate level credits.
- 5           c. The factors for credits completed in aviation are:  
6           (1) 1.9 for lower division credits;  
7           (2) 3.8 for upper division credits;  
8           (3) 5.7 for professional level credits; and  
9           (4) 7.6 for graduate level credits.
- 10          d. The factors for credits completed in the biological and physical sciences are:  
11          (1) 1.9 for lower division credits;  
12          (2) 3.8 for upper division credits;  
13          (3) 5.7 for professional level credits; and  
14          (4) 7.6 for graduate level credits.
- 15          e. The factors for credits completed in business are:  
16          (1) 1.9 for lower division credits;  
17          (2) 3.8 for upper division credits;  
18          (3) 5.7 for professional level credits; and  
19          (4) 7.6 for graduate level credits.
- 20          f. The factors for credits completed in education are:  
21          (1) 1.9 for lower division credits;  
22          (2) 3.8 for upper division credits;  
23          (3) 5.7 for professional level credits; and  
24          (4) 7.6 for graduate level credits.
- 25          g. The factors for credits completed in engineering are:  
26          (1) 2.5 for lower division credits;  
27          (2) 5.0 for upper division credits;  
28          (3) 7.5 for professional level credits; and  
29          (4) 10.0 for graduate level credits.
- 30          h. The factors for credits completed in the health sciences are:  
31          (1) 3.0 for lower division credits;

- 1                   (2) 6.0 for upper division credits;
- 2                   (3) 9.0 for professional level credits;
- 3                   (4) 12.0 for graduate level credits; and
- 4                   (5) 38.0 for medical school credits.

5           i. The factors for credits completed in legal studies are:

- 6                   (1) 3.5 for lower division credits;
- 7                   (2) 7.0 for upper division credits;
- 8                   (3) 10.5 for professional level credits; and
- 9                   (4) 14.0 for graduate level credits.

10          j. The factors for credits completed in the core disciplines are:

- 11                  (1) 1.0 for lower division credits;
- 12                  (2) 2.0 for upper division credits;
- 13                  (3) 3.0 for professional level credits; and
- 14                  (4) 4.0 for graduate level credits.

15          k. The factor for credits completed in career and technical education is 2.0.

16          l. The factor for completed remedial credits is 2.3.

- 17          2. a. The state board of higher education shall ensure that all delineations in this
- 18                   section reflect the requirements of a nationally recognized and standardized
- 19                   instructional program classification system.
- 20          b. Before adopting any changes to the delineations implemented in accordance with
- 21                   this section, the state board of higher education shall present the proposed
- 22                   changes to and receive the approval of the legislative management.

23          **15-18.1-03. Credit completion factor - Determination.**

- 24          1. For each institution under its control, the state board of higher education shall multiply
- 25                   the product determined under section 15-18.1-02 by a factor of:
- 26                  a. 1.00 if the number of credit-hours is at least 100,000;
- 27                  b. 1.05 if the number of credit-hours is at least 95,000 but less than 100,000;
- 28                  c. 1.10 if the number of credit-hours is at least 90,000 but less than 95,000;
- 29                  d. 1.15 if the number of credit-hours is at least 85,000 but less than 90,000;
- 30                  e. 1.20 if the number of credit-hours is at least 80,000 but less than 85,000;
- 31                  f. 1.25 if the number of credit-hours is at least 75,000 but less than 80,000;

- 1           g. 1.30 if the number of credit-hours is at least 70,000 but less than 75,000;  
2           h. 1.35 if the number of credit-hours is at least 65,000 but less than 70,000;  
3           i. 1.40 if the number of credit-hours is at least 60,000 but less than 65,000;  
4           j. 1.45 if the number of credit-hours is at least 55,000 but less than 60,000;  
5           k. 1.50 if the number of credit-hours is at least 50,000 but less than 55,000;  
6           l. 1.55 if the number of credit-hours is at least 45,000 but less than 50,000;  
7           m. 1.60 if the number of credit-hours is at least 40,000 but less than 45,000;  
8           n. 1.65 if the number of credit-hours is at least 35,000 but less than 40,000;  
9           o. 1.70 if the number of credit-hours is at least 30,000 but less than 35,000;  
10          p. 1.75 if the number of credit-hours is at least 25,000 but less than 30,000;  
11          q. 1.80 if the number of credit-hours is at least 20,000 but less than 25,000;  
12          r. 1.85 if the number of credit-hours is at least 15,000 but less than 20,000;  
13          s. 1.90 if the number of credit-hours is at least 10,000 but less than 15,000;  
14          t. 1.95 if the number of credit-hours is at least 5,000 but less than 10,000; and  
15          u. 2.00 if the number of credit-hours is less than 5,000.  
16          2. For purposes of this section, the number of credit-hours must be those determined by  
17             the state board of higher education in accordance with section 15-18.1-01.  
18          **15-18.1-04. Institutional size factor - Determination.**  
19          1. For each institution under its control, the state board of higher education shall multiply  
20             the product determined under section 15-18.1-03 by a size factor of:  
21             a. 1.0 if the square footage of the institution, when divided by the institution's  
22                weighted credit-hours results in a quotient of less than 5.00; or  
23             b. 1.8 if the square footage of the institution, when divided by the institution's  
24                weighted credit-hours results in a quotient of 5.00 or more.  
25          2. For purposes of this section, an institution's square footage:  
26             a. Includes all real property owned by the state within an institution's perimeter,  
27                except for agricultural experiment stations, agricultural research extension  
28                centers, technology parks, and state agencies; and  
29             b. Is determined as of June thirtieth in each odd-numbered year.

1        **15-18.1-05. Base funding - Determination of state aid.**

2        In order to determine the state aid payment to which each institution under its control is  
3 entitled, the state board of higher education shall multiply the product determined under section  
4 15-18.1-04 by a base amount of:

- 5        1. \$72.70, in the case of North Dakota state university and the university of North  
6        Dakota;
- 7        2. \$110.80 in the case of Dickinson state university, Mayville state university, Minot state  
8        university, and Valley City state university; and
- 9        3. \$117.60 in the case of Bismarck state college, Dakota college at Bottineau, lake region  
10       state college, North Dakota state college of science, and Williston state college.

11       **15-18.1-06. Base funding - Minimum amount payable.**

12       Notwithstanding any calculations required by this chapter, during each fiscal year, beginning  
13 with 2014-15, an institution may not receive less than ninety-six percent of the state aid to which  
14 the institution was entitled under this Act during the previous fiscal year.

15       **15-18.1-07. Funding - Distribution.**

16       The state aid to which each institution is entitled under this chapter must be forwarded at  
17 the time and in the manner agreed to by the institution and the office of management and  
18 budget.

19       **SECTION 2. LEGISLATIVE INTENT.** In order to maintain the integrity of the funding  
20 formula established under this chapter, it is the intent of the legislative assembly that any  
21 proposed increases in the funding of institutions be achieved through the amendment of section  
22 15-18.1-05.

23       **SECTION 3. EXPIRATION DATE.** Section 15-18.1-06 of this Act is effective through  
24 June 30, 2017, and after that date is ineffective.