

**Sixty-fourth Legislative Assembly of North Dakota  
In Regular Session Commencing Tuesday, January 6, 2015**

HOUSE BILL NO. 1151  
(Representatives Nathe, Beadle, Dockter, Dosch, Owens)  
(Senators Armstrong, Flakoll, Holmberg)

AN ACT to amend and reenact sections 15-10-48, 15-10-49, 15-10-50, 15-10-51, 15-10-52, and 15-10-53 of the North Dakota Century Code, relating to matching grants for the advancement of academics at institutions of higher education; to provide for a legislative management study; and to provide an appropriation.

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

**SECTION 1. AMENDMENT.** Section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-48. (~~Effective through June 30, 2015~~) Advancement of academics - Matching grants - University of North Dakota and North Dakota state university.**

1. a. During the period beginning July 1, ~~2013~~2015, and ending December 31, ~~2014~~2016, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of the university of North Dakota and North Dakota state university for projects dedicated exclusively to the advancement of academics.
- b. To be eligible for a matching grant, an institution must demonstrate that:
  - (1) Its foundation has raised at least fifty thousand dollars in cash or monetary pledges for a qualifying project; and
  - (2) The project has been approved by the grant review committee established in section 15-10-51.
- c. The board may award up to ~~ten~~seven million dollars in matching grants to each institution. The first two million dollars in matching grants awarded to each institution must be used for student scholarships that comply with section 15-10-53.
2. a. If any available dollars have not been awarded by the board before January 1, ~~2015~~2017, in accordance with subsection 1, either the university of North Dakota or North Dakota state university may apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall consider each application submitted under this subsection in chronological order.
- d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

**SECTION 2. AMENDMENT.** Section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-49. (~~Effective through June 30, 2015~~) Advancement of academics - Matching grants - Two-year and four-year institutions of higher education.**

1. a. During the period beginning July 1, ~~2013~~2015, and ending December 31, ~~2014~~2016, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of Bismarck state college, Dakota college at Bottineau, Dickinson state university, Lake Region state college, Mayville state university, Minot state university, North Dakota state college of science, Valley City state university, and Williston state college for projects dedicated exclusively to the advancement of academics.
- b. To be eligible for a matching grant, an institution must demonstrate that:
  - (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and
  - (2) The project has been approved by the grant review committee established in section 15-10-51.
- c. The board may award up to one million dollars in matching grants to each institution.
2. a. If any available dollars have not been awarded by the board before January 1, ~~2015~~2017, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall consider each application submitted under this subsection in chronological order.
- d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. a. The board may award an additional five hundred thousand dollars in matching grants to institutions that have been awarded one million dollars in matching grants under subsection 1 and apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall consider each application submitted under this subsection in chronological order.
- d. If the funding provided under this subsection is insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
4. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

**SECTION 3. AMENDMENT.** Section 15-10-50 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-50. (Effective through June 30, 2015) Liability for pledged amount.**

If in accordance with section 15-10-48 or 15-10-49, the state board of higher education provides grant funds under sections 15-10-48 through 15-10-53 to an institution, on the basis of a monetary pledge, and if the amount forthcoming is less than the amount pledged, the institutional foundation is liable to the institution for any shortfall.

**SECTION 4. AMENDMENT.** Section 15-10-51 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-51. (Effective through June 30, 2015) Grant review committee.**

1. There is created a grant review committee consisting of:
  - a. The governor, or the governor's designee, who shall serve as the chairman;
  - b. Two members of the house of representatives appropriations committee, selected by the majority leader of the house of representatives;
  - c. Two members of the senate appropriations committee, selected by the majority leader of the senate;
  - d. Two members appointed by the governor, with the consent of the legislative management; and
  - e. Two members appointed by the state board of higher education, with the consent of the legislative management.
2. The gubernatorial appointees must have an understanding of higher education's role in advancing agriculture, the arts, commerce and finance, manufacturing, mineral extraction, natural resources, and the professions.
3. The grant review committee shall establish its rules of operation and procedure and shall develop and publish the criteria upon which all requests for matching grants will be reviewed.
4. a. A request for a matching grant ~~must~~may be presented to the committee by the:
  - (1) The president of the institution. The president; or
  - (2) A designee of the president.
- b. Either presenter may be accompanied by other individuals having an expertise with respect to the project.
- c. If the request is to be presented by a designee of a president, the designee must provide to the committee a written statement signed by the president and certifying that the president has full knowledge of all aspects of the request, as it is presented.

**SECTION 5. AMENDMENT.** Section 15-10-52 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-52. (Effective through June 30, 2015) Grant review committee - Compensation.**

Each member of the grant review committee is entitled to receive compensation in the amount of one hundred thirty-five dollars per day plus reimbursement for expenses as provided by law for state officers if the member is attending meetings or performing duties directed by the committee. The compensation provided for in this section may not be paid to any member of the committee who receives a salary or other compensation as an employee or official of this state if the individual is serving on the committee by virtue of the individual's state office or state employment.

**SECTION 6. AMENDMENT.** Section 15-10-53 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-53. (~~Effective through June 30, 2015~~) Definition.**

For purposes of sections 15-10-48 through 15-10-52, projects dedicated to the advancement of enhanced academics include investments in research, scholarships, technology, endowed chairs, and investments in educational infrastructure, including but exclude scholarships intended solely for the benefit of athletics, campus facility repair projects, and new capital construction projects that conform with the university system campus master plan and space utilization study.

**SECTION 7. LEGISLATIVE MANAGEMENT STUDY - HIGHER EDUCATION MATCHING GRANTS.** During the 2015-16 interim, the legislative management shall consider studying the provision of matching grants to institutions of higher education, as set forth in sections 15-10-48 through 15-10-53, for the purposes of ensuring that the statutory parameters provide sufficient direction, provide flexibility to accommodate changing circumstances and needs, and ultimately enable the delivery of the greatest possible benefits to the students attending institutions of higher education in this state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly.

**SECTION 8. APPROPRIATION - STATE BOARD OF HIGHER EDUCATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$21,000,000, or so much of the sum as may be necessary, and out of any moneys in the student loan trust fund in the state treasury, not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be necessary, to the state board of higher education for the purpose of awarding matching grants for the advancement of academics at institutions of higher education under the control of the board, for the biennium beginning July 1, 2015, and ending June 30, 2017. The funding provided in this section is considered a one-time funding item.

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Speaker of the House

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President of the Senate

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Chief Clerk of the House

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Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-fourth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1151.

House Vote:      Yeas 61              Nays 30              Absent 3

Senate Vote:      Yeas 40              Nays 7              Absent 0

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Chief Clerk of the House

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 2015.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 2015.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 2015,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

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Secretary of State