

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the semicolon insert "to create and enact a new chapter to title 15 and three new subsections to section 15-10-63 of the North Dakota Century Code, relating to the midwestern higher education compact and capital project authorization;"

Page 1, line 2, replace "section" with "sections 15-10-49, 15-18.2-02, 15-18.2-05, 15-62.4-03, and"

Page 1, line 3, after the first "to" insert "matching grants for institutions under the control of the state board of higher education, state aid to institutions, the student financial assistance grant program, and"

Page 1, line 3, replace "and" with "to repeal section 15-10-61 of the North Dakota Century Code, relating to the dual-credit instructor assistance program; to authorize the state board of higher education to issue and sell bonds for capital projects;"

Page 1, line 3, after "transfer" insert "; to provide for a report; and to declare an emergency"

Page 1, remove lines 14 through 24

Page 2, replace lines 1 through 14 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Capital assets - bond payments	\$6,605,326	(\$1,645,878)	\$4,959,448
Competitive research programs	6,027,750	0	6,027,750
System governance	8,163,238	280,095	8,443,333
Title II	1,006,472	(1,006,472)	0
Core technology services	61,527,347	663,122	62,190,469
Student financial assistance grants	21,917,306	2,000,000	23,917,306
Professional student exchange program	3,699,342	0	3,699,342
Academic and technical education scholarships	12,016,749	0	12,016,749
Scholars program	1,807,115	0	1,807,115
Native American scholarship	555,323	0	555,323
Tribally controlled community college grants	600,000	(100,000)	500,000
Education incentive programs	2,863,393	(2,103,393)	760,000
Student mental health	284,400	0	284,400
Veterans' assistance grants	277,875	0	277,875
Shared campus services	500,000	0	500,000
Dual-credit instructor assistance	200,000	(200,000)	0
Education challenge fund	0	2,200,000	2,200,000
Tier III capital building fund pool	0	9,000,000	9,000,000
Total all funds	\$128,051,636	\$9,087,474	\$137,139,110
Less estimated income	<u>26,412,106</u>	<u>2,550,610</u>	<u>28,962,716</u>
Total general fund	\$101,639,530	\$6,536,864	\$108,176,394
Full-time equivalent positions	149.40	(0.50)	148.90"

Page 2, replace lines 17 through 24 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$101,670,034	(\$4,447,175)	\$97,222,859
Capital assets	1,922,561	0	1,922,561
Capital building fund	0	1,679,082	1,679,082
Total all funds	\$103,592,595	(\$2,768,093)	\$100,824,502
Less estimated income	72,991,998	(3,062,872)	69,929,126
Total general fund	\$30,600,597	\$294,779	\$30,895,376
Full-time equivalent positions	358.35	(34.42)	323.93"

Page 2, remove lines 27 through 31

Page 3, replace lines 1 through 3 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$36,449,048	\$950,031	\$37,399,079
Capital assets	362,667	3,000,000	3,362,667
Capital building fund	0	628,276	628,276
Total all funds	\$36,811,715	\$4,578,307	\$41,390,022
Less estimated income	24,111,092	4,405,672	28,516,764
Total general fund	\$12,700,623	\$172,635	\$12,873,258
Full-time equivalent positions	129.61	(11.51)	118.10"

Page 3, replace lines 6 through 13 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$26,954,133	\$1,077,752	\$28,031,885
Capital assets	1,261,968	0	1,261,968
Capital building fund	0	435,812	435,812
Total all funds	\$28,216,101	\$1,513,564	\$29,729,665
Less estimated income	19,855,598	(137,663)	19,717,935
Total general fund	\$8,360,503	\$1,651,227	\$10,011,730
Full-time equivalent positions	100.75	(0.27)	100.48"

Page 3, replace lines 16 through 23 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$864,554,974	\$20,252,443	\$884,807,417
Capital assets	4,411,566	115,000,000	119,411,566
Capital building fund	0	15,393,458	15,393,458
Total all funds	\$868,966,540	\$150,645,901	\$1,019,612,441
Less estimated income	728,870,450	143,918,802	872,789,252
Total general fund	\$140,096,090	\$6,727,099	\$146,823,189
Full-time equivalent positions	2,218.07	(85.90)	2,132.17"

Page 3, remove lines 26 through 31

Page 4, replace lines 1 through 3 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$732,673,267	\$9,213,433	\$741,886,700
Capital assets	7,799,104	79,800,000	87,599,104

Capital building fund	0	12,401,812	12,401,812
Total all funds	\$740,472,371	\$101,415,245	\$841,887,616
Less estimated income	611,881,329	97,661,956	709,543,285
Total general fund	\$128,591,042	\$3,753,289	\$132,344,331
Full-time equivalent positions	1,895.66	(25.50)	1,870.16"

Page 4, replace lines 6 through 14 with:

"		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$91,682,610	\$3,610,065	\$95,292,675
Capital assets	1,012,379	0	1,012,379
Capital building fund	0	1,537,982	1,537,982
Total all funds	\$92,694,989	\$5,148,047	\$97,843,036
Less estimated income	57,605,613	3,898,705	61,504,318
Total general fund	\$35,089,376	\$1,249,342	\$36,338,718
Full-time equivalent positions	345.04	(34.31)	310.73"

Page 4, replace lines 17 through 25 with:

"		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$47,135,592	\$1,203,267	\$48,338,859
Capital assets	409,078	0	409,078
Capital building fund	0	957,642	957,642
Theodore Roosevelt digitization	0	250,000	250,000
Total all funds	\$47,544,670	\$2,410,909	\$49,955,579
Less estimated income	29,737,827	1,675,772	31,413,599
Total general fund	\$17,806,843	\$735,137	\$18,541,980
Full-time equivalent positions	168.90	44.36	213.26"

Page 4, remove lines 28 through 31

Page 5, replace lines 1 through 4 with:

"		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$44,197,761	\$3,153,768	\$47,351,529
Capital assets	358,992	0	358,992
Capital building fund	0	833,832	833,832
Total all funds	\$44,556,753	\$3,987,600	\$48,544,353
Less estimated income	30,307,148	1,906,832	32,213,980
Total general fund	\$14,249,605	\$2,080,768	\$16,330,373
Full-time equivalent positions	210.53	(1.26)	209.27"

Page 5, replace lines 7 through 14 with:

"		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$100,710,275	\$1,095,224	\$101,805,499
Capital assets	1,099,620	0	1,099,620
Capital building fund	0	2,042,828	2,042,828
Total all funds	\$101,809,895	\$3,138,052	\$104,947,947
Less estimated income	62,058,916	3,207,692	65,266,608
Total general fund	\$39,750,979	(\$69,640)	\$39,681,339
Full-time equivalent positions	441.65	(34.07)	407.58"

Page 5, replace lines 17 through 24 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$48,444,336	(\$2,009,370)	\$46,434,966
Capital assets	455,823	0	455,823
Capital building fund	0	1,028,686	1,028,686
Total all funds	\$48,900,159	(\$980,684)	\$47,919,475
Less estimated income	28,470,657	(1,583,258)	26,887,399
Total general fund	\$20,429,502	\$602,574	\$21,032,076
Full-time equivalent positions	202.75	(22.07)	180.68"

Page 5, remove lines 27 through 31

Page 6, replace lines 1 through 3 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$17,168,111	\$811,683	\$17,979,794
Capital assets	114,007	0	114,007
Capital building fund	0	357,700	357,700
Total all funds	\$17,282,118	\$1,169,383	\$18,451,501
Less estimated income	9,629,173	1,124,568	10,753,741
Total general fund	\$7,652,945	\$44,815	\$7,697,760
Full-time equivalent positions	84.30	(2.01)	82.29"

Page 6, replace lines 6 through 13 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$205,926,712	\$5,179,871	\$211,106,583
Health care workforce initiative	0	10,676,150	10,676,150
Total all funds	\$205,926,712	\$15,856,021	\$221,782,733
Less estimated income	154,078,620	4,768,324	158,846,944
Total general fund	\$51,848,092	\$11,087,697	\$62,935,789
Full-time equivalent positions	435.75	49.57	485.32"

Page 6, replace lines 16 through 23 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$14,958,447	\$230,049	\$15,188,496
Capital assets	118,728	0	118,728
Total all funds	\$15,077,175	\$230,049	\$15,307,224
Less estimated income	10,650,748	14,652	10,665,400
Total general fund	\$4,426,427	\$215,397	\$4,641,824
Full-time equivalent positions	27.00	0.00	27.00"

Page 6, replace lines 26 through 30 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$613,242,154	\$35,081,983	\$648,324,137
Grand total special funds	1,866,661,275	260,349,792	2,127,011,067
Grand total all funds	\$2,479,903,429	\$295,431,775	\$2,775,335,204"

Page 7, line 2, after "biennium" insert "and the 2019-21 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 7, replace lines 4 and 5 with:

"Capital projects - other funds	\$168,505,000	\$197,800,000
Education challenge grants	2,000,000	2,200,000
Tier II and tier III capital building funds	0	46,297,110
Theodore Roosevelt digitization	0	250,000"

Page 7, replace lines 12 through 14 with:

"Total all funds	\$205,843,626	\$246,547,110
Total other funds	193,289,000	240,097,110
Total general fund	\$12,554,626	\$6,450,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The institutions and entities under the control of the state board of higher education shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 9, after line 6, insert:

"SECTION 3. A new chapter to title 15 of the North Dakota Century Code is created and enacted as follows:

Midwestern regional higher education compact.

The midwestern regional higher education compact is adopted as follows:

ARTICLE I - PURPOSE

The purpose of the midwestern higher education compact is to provide greater higher education opportunities and services in the midwestern region, with the aim of furthering regional access to, research in, and choice of higher education for the citizens residing in the states that are parties to this compact.

ARTICLE II - THE COMMISSION

1. The compacting states create the midwestern higher education commission, hereinafter called the commission. The commission is a body corporate of each compacting state. The commission has all the responsibilities, powers, and duties set forth in this chapter, including the power to sue and be sued, and any additional powers conferred upon it by subsequent action of the respective legislative assemblies of the compacting states in accordance with the terms of this compact.
2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as

provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.

3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.
4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.
5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.
6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

ARTICLE III - POWERS AND DUTIES OF THE COMMISSION

1. The commission shall adopt bylaws governing its management and operations.
2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.
3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.
4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the preceding year. The reports must include any recommendations that have been adopted by the commission.
5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.
6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the

United States or from any subdivision or agency thereof, from an interstate agency, or from any person, and may receive, use, and dispose of the same.

7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.
8. The commission may establish and maintain offices in one or more of the compacting states.
9. The commission may establish committees and hire staff as necessary to carry out its functions.
10. The commission may provide for actual and necessary expenses for the attendance of its members at official meetings of the commission or of its designated committees.

ARTICLE IV - ACTIVITIES OF THE COMMISSION

1. The commission shall collect data on the long-range effects of the compact on higher education. By the end of the fourth year from the effective date of the compact and every two years thereafter, the commission shall review its accomplishments and make recommendations to the governors and legislative assemblies of the compacting states regarding continuance of the compact.
2. The commission shall study higher education issues that are of particular concern to the midwestern region. The commission also shall study the need for higher education programs and services in the compacting states and the resources for meeting those needs. The commission shall prepare reports, on its research, for presentation to the governors and legislative assemblies of the compacting states, as well as to other interested parties. In conducting the studies, the commission may confer with any national or regional planning body. The commission may draft and recommend to the governors and legislative assemblies of the various compacting states suggested legislation addressing issues in higher education.
3. The commission shall study the need for the provision of adequate programs and services in higher education, such as undergraduate, graduate, or professional student exchanges in the region. If a need for exchange in a field is apparent, the commission may enter agreements with any institution of higher education and with any compacting state to provide programs and services in higher education for the citizens of the respective compacting states. After negotiating with interested institutions and the compacting states, the commission shall determine the cost of providing the programs and services in higher education for use in its agreements. The contracting states shall contribute funds not otherwise provided, as determined by the commission, to carry out the agreements.

The commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.

4. The commission shall serve as a clearinghouse for information regarding higher education activities among institutions and agencies.
5. The commission may provide services and research in any other area of regional concern.

ARTICLE V - FINANCE

1. The compacting states will appropriate the amount necessary to finance the general operations of the commission, not otherwise provided for, when authorized by their respective legislative assemblies. The amount must be apportioned equally among the compacting states.
2. The commission may not incur any obligations prior to the passage of appropriations adequate to meet the same; nor may the commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.
3. The commission shall keep accurate accounts of its receipts and disbursements. The receipts and disbursements of the commission are subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements handled by the commission must be audited yearly by a certified or licensed public accountant and the report of the audit must be included in and become part of the annual report of the commission.
4. The accounts of the commission must be open at any reasonable time for inspection by duly authorized representatives of the compacting states and by persons authorized by the commission.

ARTICLE VI - ELIGIBLE PARTIES AND ENTRY INTO FORCE

1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become parties to this compact. Additional states may be eligible if approved by a majority of the compacting states.
2. This compact becomes effective, as to any eligible party state, when its legislative assembly enacts the compact into law.
3. An amendment to the compact becomes effective upon its enactment by the legislative assemblies of all compacting states.

ARTICLE VII - WITHDRAWAL, DEFAULT, AND TERMINATION

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an

obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.

2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

ARTICLE VIII - SEVERABILITY AND CONSTRUCTION

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

Midwestern higher education commission - Terms - Vacancies.

1. The members of the midwestern higher education commission representing this state are:
 - a. The governor or the governor's designee.
 - b. One member of the senate and one member of the house of representatives, appointed by the chairman of the legislative management.
 - c. Two at-large members, one of whom must be knowledgeable about the field of higher education, appointed by the governor.
2. The term of each legislative appointee is two years. One initial at-large member must be appointed for a term of two years and the other for a term of four years. Thereafter, the term of each at-large member is four years.
3. If a member vacates the position to which the member was appointed, the position must be filled for the remainder of the unexpired term in the same manner as that position was filled initially.

SECTION 4. AMENDMENT. Section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

15-10-49. Advancement of academics - Matching grants - Two-year and four-year institutions of higher education.

1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, 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 two hundred thousand dollars in matching grants to each institution.
2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, 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. 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 5. A new subsection to section 15-10-63 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any existing agreements, an institution under the control of the state board of higher education shall obtain approval from the legislative assembly before the institution acquires any additional facility space to be used by the institution for any purpose, if the acquisition would result in additional operating costs to be paid from any source. This subsection does not apply to operating lease agreements that preclude the ownership of the leased facility.

SECTION 6. A new subsection to section 15-10-63 of the North Dakota Century Code is created and enacted as follows:

Notwithstanding any existing agreements, an institution under the control of the state board of higher education shall obtain approval from the legislative assembly before an institution purchases, rents, occupies, or otherwise utilizes a building or any portion of a building for a purpose that directly or indirectly supports or relates to the institution's educational or administrative functions if the building is located more than ten miles from the campus of the institution. This subsection does not apply to buildings utilized by an institution to offer dual-credit courses, buildings utilized by the agricultural experiment station and research extension centers, and buildings utilized by the North Dakota state university extension service. For purposes of this section, "campus" means the campus of the institution under the federal Clery Act [Pub. L. 105-244; 20 U.S.C. 1092(f)].

SECTION 7. A new subsection to section 15-10-63 of the North Dakota Century Code is created and enacted as follows:

An institution that obtains legislative approval to acquire any additional facility space to be used by the institution for any purpose shall establish a maintenance reserve fund of at least three percent of the total construction cost or replacement value, whichever is greater, of the acquired space. The institution's plans for funding the maintenance reserve fund must be included in the request for legislative approval. Maintenance reserve funds must be deposited in an account under the control of the state board of higher education before the acquired space may be occupied, and the funds may be used for maintenance repairs after the total deferred maintenance of the space exceeds thirty percent of its replacement value. The funds may not be used for any other purpose. This subsection does not apply to additional space acquired through the sale of revenue bonds that require by covenant the establishment of maintenance reserve funds.

SECTION 8. AMENDMENT. Section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

15-18.2-02. Weighted credit-hours - Determination - Instructional program classification factors - Submission to legislative management.

1. In order to determine the weighted credit-hours for each institution under its control, the state board of higher education shall multiply each of an institution's completed credit-hours, as determined under section 15-18.2-01, by an instructional program classification factor, as set forth in this section.
 - a. The factors for credits completed in agriculture are:
 - (1) 1.9 for lower division credits;
 - (2) 3.8 for upper division credits;
 - (3) 5.7 for professional level credits; and
 - (4) 7.6 for graduate level credits.
 - b. The factors for credits completed in architecture are:

- (1) 1.8 for lower division credits;
 - (2) 3.6 for upper division credits;
 - (3) 5.4 for professional level credits; and
 - (4) 7.2 for graduate level credits.
- c. The factors for credits completed in transportation are:
- (1) 1.9 for lower division credits;
 - (2) 3.8 for upper division credits;
 - (3) 5.7 for professional level credits; and
 - (4) 7.6 for graduate level credits.
- d. The factors for credits completed in the biological and physical sciences are:
- (1) 1.9 for lower division credits;
 - (2) 3.8 for upper division credits;
 - (3) 5.7 for professional level credits; and
 - (4) 7.6 for graduate level credits.
- e. The factors for credits completed in business are:
- (1) 1.9 for lower division credits;
 - (2) 3.8 for upper division credits;
 - (3) 5.7 for professional level credits; and
 - (4) 7.6 for graduate level credits.
- f. The factors for credits completed in education are:
- (1) 1.9 for lower division credits;
 - (2) 3.8 for upper division credits;
 - (3) 5.7 for professional level credits; and
 - (4) 7.6 for graduate level credits.
- g. The factors for credits completed in engineering are:
- (1) 2.5 for lower division credits;
 - (2) 5.0 for upper division credits;
 - (3) 7.5 for professional level credits; and
 - (4) 10.0 for graduate level credits.
- h. The factors for credits completed in the health sciences are:
- (1) 3.0 for lower division credits;
 - (2) 6.0 for upper division credits;

- (3) 9.0 for professional level credits;
 - (4) 12.0 for graduate level credits; and
 - (5) ~~38.0~~34.5 for medical school credits.
- i. The factors for credits completed in legal studies are:
 - (1) 3.5 for lower division credits;
 - (2) 7.0 for upper division credits;
 - (3) 10.5 for professional level credits; and
 - (4) 14.0 for graduate level credits.
 - j. The factors for credits completed in the core disciplines are:
 - (1) 1.0 for lower division credits;
 - (2) 2.0 for upper division credits;
 - (3) 3.0 for professional level credits; and
 - (4) 4.0 for graduate level credits.
 - k. The factor for credits completed in career and technical education is 2.0.
 - l. The factor for completed basic skills credits is 2.3.
- 2. a. The state board of higher education shall ensure that all delineations in this section reflect the requirements of a nationally recognized and standardized instructional program classification system.
 - b. Before adopting any changes to the delineations implemented in accordance with this section, the state board of higher education shall present the proposed changes to and receive the approval of the legislative management.

SECTION 9. AMENDMENT. Section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

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

- 1. Except as provided under subsection 2, in order to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.2-04 by a base amount of:
 - a. ~~\$58.65~~\$60.70 in the case of North Dakota state university and the university of North Dakota;
 - b. ~~\$86.95~~\$90.48 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and
 - c. ~~\$93.03~~\$96.52 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.

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

SECTION 10. AMENDMENT. Section 15-62.4-03 of the North Dakota Century Code is amended and reenacted as follows:

15-62.4-03. Student financial assistance program - Grants.

1. The state board of higher education shall provide to each eligible student a financial assistance grant in an amount not exceeding:
 - a. ~~Nine hundred seventy-five~~One thousand one hundred dollars per semester; or
 - b. ~~Six hundred fifty~~Seven hundred thirty-three dollars per quarter.
2. a. A student is not entitled to receive grants under this chapter for more than the equivalent of:
 - (1) Eight semesters of full-time enrollment; or
 - (2) Twelve quarters of full-time enrollment.
- b. Notwithstanding subdivision a, a student is not entitled to receive a grant under this chapter after the student obtains a baccalaureate degree.
3. The board shall forward grants payable under this chapter directly to the institution in which the student is enrolled."

Page 9, after line 6, insert:

"SECTION 12. REPEAL. Section 15-10-61 of the North Dakota Century Code is repealed."

Page 9, line 18, replace "biennium" with "period"

Page 9, line 18, replace "July 1, 2019" with "with the effective date of this Act"

Page 9, replace lines 23 through 31 with:

"SECTION 15. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES OPERATIONS. The operations line item in subdivision 5 of section 1 of this Act includes a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2019, and ending June 30, 2021. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota."

Page 10, line 3, after "assets" insert "and capital building fund"

Page 10, line 17, after the period insert "An institution may not use tier II or tier III capital building fund moneys as matching funds under this section.

SECTION 19. BOND ISSUANCE AUTHORIZATION - PURPOSES. The state board of higher education, in accordance with chapter 15-55, may arrange for the

funding of projects authorized in this section, declared to be in the public interest, through the issuance of self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, beginning with the effective date of this Act and ending June 30, 2021. Evidences of indebtedness issued pursuant to this section are not a general obligation of the state of North Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences of indebtedness may be issued and the proceeds are appropriated in section 1 of this Act for the following capital projects:

University of North Dakota - memorial union	\$80,000,000
North Dakota state university - university village phase II	<u>37,600,000</u>
Total special funds	\$117,600,000

SECTION 20. TRANSFER - BANK OF NORTH DAKOTA PROFITS - TIER II CAPITAL BUILDING FUNDS - MATCHING FUNDS. The industrial commission shall transfer to institutions under the control of the state board of higher education a total of \$10,000,000, or so much of the sum as may be necessary, from the current earnings and accumulated undivided profits of the Bank of North Dakota during the period beginning with the effective date of this Act, and ending June 30, 2021, as requested by the commissioner of higher education. The capital building fund and estimated income line items in subdivisions 2 through 12 of section 1 of this Act include \$10,000,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota and \$8,648,555 from a one percent per year increase in tuition as follows:

	<u>Bank of North Dakota</u>	<u>Estimated Tuition Commitment</u>
Bismarck state college	\$425,693	\$413,848
Lake Region state college	177,375	136,763
Williston state college	137,947	79,959
University of North Dakota	4,361,801	3,334,928
North Dakota state university	2,899,596	3,301,310
North Dakota state college of science	500,695	268,296
Dickinson state university	268,862	209,959
Mayville state university	240,029	176,887
Minot state university	572,801	448,613
Valley City state university	309,137	205,206
Dakota college at Bottineau	<u>106,064</u>	<u>72,786</u>
Total	\$10,000,000	\$8,648,555

An institution shall provide one dollar of matching funds from operations or other sources for each one dollar from Bank of North Dakota profits and for each one dollar generated from the one percent per year increase in tuition deposited in each institution's capital building fund. An institution may not use extraordinary repairs funding or tier III capital building fund moneys as matching funds under this section.

SECTION 21. TRANSFER - BANK OF NORTH DAKOTA PROFITS - TIER III CAPITAL BUILDING FUND POOL - MATCHING FUNDS. The industrial commission shall transfer to the North Dakota university system office a total of \$5,000,000, or so much of the sum as may be necessary, from the current earnings and accumulated undivided profits of the Bank of North Dakota during the period beginning with the effective date of this Act, and ending June 30, 2021, as requested by the commissioner of higher education. The tier III capital building fund pool and estimated income line items in subdivision 1 of section 1 of this Act include \$5,000,000 from the current

earnings and accumulated undivided profits of the Bank of North Dakota. The tier III capital building fund pool in subdivision 1 of section 1 of this Act also includes \$4,000,000 from the general fund. Funding from the tier III capital building fund pool is to be allocated to each institution as follows:

	<u>Tier III Capital Building Fund</u>
Bismarck state college	\$500,000
Lake Region state college	500,000
Williston state college	500,000
University of North Dakota	2,250,000
North Dakota state university	2,250,000
North Dakota state college of science	500,000
Dickinson state university	500,000
Mayville state university	500,000
Minot state university	500,000
Valley City state university	500,000
Dakota college at Bottineau	<u>500,000</u>
Total	\$9,000,000

An institution shall provide two dollars of matching funds from operations or other sources for each one dollar from the tier III capital building fund pool. An institution may not use extraordinary repairs funding or tier II capital building fund moneys as matching funds under this section. Any funds transferred to an institution pursuant to this section from the tier III capital building fund pool must be placed in that institution's capital building fund line item.

SECTION 22. CAPITAL BUILDING FUNDS - USES - REPORTS. Subject to state board of higher education approval, each institution in subdivisions 2 through 12 of section 1 of this Act may use moneys from its capital building fund line item for extraordinary repairs and deferred maintenance projects which do not exceed \$700,000 and do not increase the square footage of a building. In addition, Lake Region state college is authorized to use up to \$3,000,000 from its capital building fund line item for the precision agriculture center project. The North Dakota university system shall report to the legislative management during the 2019-20 interim and to the appropriations committees of the sixty-seventh legislative assembly on the use of funding in each institutions' capital building fund line item, the source of matching funds, and each institutions' five-year plan for capital construction spending.

SECTION 23. TUITION RATE INCREASE LIMITATION - BUDGET SECTION APPROVAL.

1. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition rates for resident students attending institutions of higher education under its control during the 2019-20 academic year by more than three percent as compared to the tuition rate in effect during the 2019 spring semester unless the board receives prior budget section approval. Before approving or denying the request, the budget section shall consider the effect the tuition rate increase will have on current and prospective students, tuition rates at comparable institutions in neighboring states, and the institution's planned use of additional tuition revenue.
2. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition rates for

resident students attending institutions of higher education under its control during the 2020-21 academic year by more than three percent as compared to the tuition rate in effect during the 2020 spring semester unless the board receives prior budget section approval. Before approving or denying the request, the budget section shall consider the effect the tuition rate increase will have on current and prospective students, tuition rates at comparable institutions in neighboring states, and the institution's planned use of additional tuition revenue.

3. This section does not apply to tuition rates charged for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy.
4. This section does not apply to tuition rates for nonresident students attending institutions of higher education under the control of the state board of higher education. For purposes of this section, the residency of students for tuition purposes must be determined under section 15-10-19.1.
5. This section does not apply to tuition rates determined under tuition reciprocity agreements entered into by the state board of higher education with other states or state education compacts.
6. For purposes of this section, an institution must calculate a resident tuition rate increase based on the tuition rate paid by an average full-time resident student. The state board of higher education may exclude adjustments to a tuition rate resulting from a change in an institution's method of charging tuition, including the consolidation of existing fees into tuition rates or charging tuition based on a per-credit rate, from tuition rate calculations under this section.
7. The state board of higher education may increase tuition rates for all students attending institutions of higher education under its control during the 2019-20 academic year by an additional one percent as compared to the tuition rate in effect during the 2019 spring semester if the institution has provided matching funds from operations or other sources for each one dollar generated from the one percent increase in tuition, which must be deposited in each institution's capital building fund.
8. The state board of higher education may increase tuition rates for all students attending institutions of higher education under its control during the 2020-21 academic year by an additional one percent as compared to the tuition rate in effect during the 2020 spring semester if the institution has provided matching funds from operations or other sources for each one dollar generated from the one percent increase in tuition, which must be deposited in each institution's capital building fund.

SECTION 24. EMERGENCY. Sections 14, 16, 18, 19, 20, 21, and 22 of this Act and the tier III capital building fund pool, capital assets, and capital building fund line items in section 1 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of House Action

	Base Budget	House Changes	House Version
University System Office			
Total all funds	\$128,051,636	\$9,087,474	\$137,139,110
Less estimated income	26,412,106	2,550,610	28,962,716
General fund	<u>\$101,639,530</u>	<u>\$6,536,864</u>	<u>\$108,176,394</u>
FTE	149.40	(0.50)	148.90
Bismarck State College			
Total all funds	\$103,592,595	(\$2,768,093)	\$100,824,502
Less estimated income	72,991,998	(3,062,872)	69,929,126
General fund	<u>\$30,600,597</u>	<u>\$294,779</u>	<u>\$30,895,376</u>
FTE	358.35	(34.42)	323.93
Lake Region State College			
Total all funds	\$36,811,715	\$4,578,307	\$41,390,022
Less estimated income	24,111,092	4,405,672	28,516,764
General fund	<u>\$12,700,623</u>	<u>\$172,635</u>	<u>\$12,873,258</u>
FTE	129.61	(11.51)	118.10
Williston State College			
Total all funds	\$28,216,101	\$1,513,564	\$29,729,665
Less estimated income	19,855,598	(137,663)	19,717,935
General fund	<u>\$8,360,503</u>	<u>\$1,651,227</u>	<u>\$10,011,730</u>
FTE	100.75	(0.27)	100.48
University of North Dakota			
Total all funds	\$868,966,540	\$150,645,901	\$1,019,612,441
Less estimated income	728,870,450	143,918,802	872,789,252
General fund	<u>\$140,096,090</u>	<u>\$6,727,099</u>	<u>\$146,823,189</u>
FTE	2,218.07	(85.90)	2,132.17
UND Medical Center			
Total all funds	\$205,926,712	\$15,856,021	\$221,782,733
Less estimated income	154,078,620	4,768,324	158,846,944
General fund	<u>\$51,848,092</u>	<u>\$11,087,697</u>	<u>\$62,935,789</u>
FTE	435.75	49.57	485.32
North Dakota State University			
Total all funds	\$740,472,371	\$101,415,245	\$841,887,616
Less estimated income	611,881,329	97,661,956	709,543,285
General fund	<u>\$128,591,042</u>	<u>\$3,753,289</u>	<u>\$132,344,331</u>
FTE	1,895.66	(25.50)	1,870.16
State College of Science			
Total all funds	\$92,694,989	\$5,148,047	\$97,843,036
Less estimated income	57,605,613	3,898,705	61,504,318
General fund	<u>\$35,089,376</u>	<u>\$1,249,342</u>	<u>\$36,338,718</u>
FTE	345.04	(34.31)	310.73
Dickinson State University			
Total all funds	\$47,544,670	\$2,410,909	\$49,955,579
Less estimated income	29,737,827	1,675,772	31,413,599
General fund	<u>\$17,806,843</u>	<u>\$735,137</u>	<u>\$18,541,980</u>
FTE	168.90	44.36	213.26
Mayville State University			
Total all funds	\$44,556,753	\$3,987,600	\$48,544,353
Less estimated income	30,307,148	1,906,832	32,213,980
General fund	<u>\$14,249,605</u>	<u>\$2,080,768</u>	<u>\$16,330,373</u>

FTE	210.53	(1.26)	209.27
Minot State University			
Total all funds	\$101,809,895	\$3,138,052	\$104,947,947
Less estimated income	62,058,916	3,207,692	65,266,608
General fund	<u>\$39,750,979</u>	<u>(\$69,640)</u>	<u>\$39,681,339</u>
FTE	441.65	(34.07)	407.58
Valley City State University			
Total all funds	\$48,900,159	(\$980,684)	\$47,919,475
Less estimated income	28,470,657	(1,583,258)	26,887,399
General fund	<u>\$20,429,502</u>	<u>\$602,574</u>	<u>\$21,032,076</u>
FTE	202.75	(22.07)	180.68
Dakota College at Bottineau			
Total all funds	\$17,282,118	\$1,169,383	\$18,451,501
Less estimated income	9,629,173	1,124,568	10,753,741
General fund	<u>\$7,652,945</u>	<u>\$44,815</u>	<u>\$7,697,760</u>
FTE	84.30	(2.01)	82.29
Forest Service			
Total all funds	\$15,077,175	\$230,049	\$15,307,224
Less estimated income	10,650,748	14,652	10,665,400
General fund	<u>\$4,426,427</u>	<u>\$215,397</u>	<u>\$4,641,824</u>
FTE	27.00	0.00	27.00
Bill total			
Total all funds	\$2,479,903,429	\$295,431,775	\$2,775,335,204
Less estimated income	<u>1,866,661,275</u>	<u>260,349,792</u>	<u>2,127,011,067</u>
General fund	<u>\$613,242,154</u>	<u>\$35,081,983</u>	<u>\$648,324,137</u>
FTE	6,767.76	(157.89)	6,609.87

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Base Budget	House Changes	House Version
University System Office	\$101,639,530	\$6,536,864	\$108,176,394
Bismarck State College	30,600,597	294,779	30,895,376
Lake Region State College	12,700,623	172,635	12,873,258
Williston State College	8,360,503	1,651,227	10,011,730
University of North Dakota	140,096,090	6,727,099	146,823,189
UND Medical Center	51,848,092	11,087,697	62,935,789
North Dakota State University	128,591,042	3,753,289	132,344,331
State College of Science	35,089,376	1,249,342	36,338,718
Dickinson State University	17,806,843	735,137	18,541,980
Mayville State University	14,249,605	2,080,768	16,330,373
Minot State University	39,750,979	(69,640)	39,681,339
Valley City State University	20,429,502	602,574	21,032,076
Dakota College at Bottineau	7,652,945	44,815	7,697,760
Forest Service	<u>4,426,427</u>	<u>215,397</u>	<u>4,641,824</u>
Total general fund	<u>\$613,242,154</u>	<u>\$35,081,983</u>	<u>\$648,324,137</u>

Detail of House Changes to the General Fund

	Adjusts Funding for University System Office ¹	Provides Funding Formula Adjustments ²	Adjusts Special Funds and FTE Positions ³	Adds Funding for Residency Program ⁴	Adds One- Time Funding for Theodore Roosevelt Digitization ⁵	Adds Funding for Capital Projects ⁶
University System Office	\$6,536,864					
Bismarck State College		\$294,779				
Lake Region State College		172,635				
Williston State College		1,651,227				
University of North Dakota		6,727,099				
UND Medical Center		6,580,445		\$4,507,252		
North Dakota State University		3,753,289				
State College of Science		1,249,342				
Dickinson State University		485,137			\$250,000	
Mayville State University		2,080,768				
Minot State University		(69,640)				
Valley City State University		602,574				
Dakota College at Bottineau		44,815				
Forest Service						
Total general fund	\$6,536,864	\$23,572,470	\$0	\$4,507,252	\$250,000	\$0

	Adds Funding for Capital Building Funds ⁷	Adjusts Forest Service Funding ⁸	Total the General Fund Changes
University System Office			\$6,536,864
Bismarck State College			294,779
Lake Region State College			172,635
Williston State College			1,651,227
University of North Dakota			6,727,099
UND Medical Center			11,087,697
North Dakota State University			3,753,289
State College of Science			1,249,342
Dickinson State University			735,137
Mayville State University			2,080,768
Minot State University			(69,640)
Valley City State University			602,574
Dakota College at Bottineau			44,815
Forest Service		\$215,397	215,397
Total general fund	\$0	\$215,397	\$35,081,983

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Base Budget	House Changes	House Version
University System Office	\$26,412,106	\$2,550,610	\$28,962,716
Bismarck State College	72,991,998	(3,062,872)	69,929,126
Lake Region State College	24,111,092	4,405,672	28,516,764
Williston State College	19,855,598	(137,663)	19,717,935
University of North Dakota	728,870,450	143,918,802	872,789,252
UND Medical Center	154,078,620	4,768,324	158,846,944
North Dakota State University	611,881,329	97,661,956	709,543,285
State College of Science	57,605,613	3,898,705	61,504,318
Dickinson State University	29,737,827	1,675,772	31,413,599
Mayville State University	30,307,148	1,906,832	32,213,980
Minot State University	62,058,916	3,207,692	65,266,608
Valley City State University	28,470,657	(1,583,258)	26,887,399
Dakota College at Bottineau	9,629,173	1,124,568	10,753,741
Forest Service	10,650,748	14,652	10,665,400
Total other funds	\$1,866,661,275	\$260,349,792	\$2,127,011,067

Detail of House Changes to Other Funds

	Adjusts Funding for University System Office¹	Provides Funding Formula Adjustments²	Adjusts Special Funds and FTE Positions³	Adds Funding for Residency Program⁴	Adds One- Time Funding for Theodore Roosevelt Digitization⁵	Adds Funding for Capital Projects⁶
University System Office	\$2,550,610					
Bismarck State College			(\$4,741,954)			
Lake Region State College			777,396			\$3,000,000
Williston State College			(573,475)			
University of North Dakota			13,525,344			115,000,000
UND Medical Center			4,768,324			
North Dakota State University			5,460,144			79,800,000
State College of Science			2,360,723			
Dickinson State University			718,130			
Mayville State University			1,073,000			
Minot State University			1,164,864			
Valley City State University			(2,611,944)			
Dakota College at Bottineau			766,868			
Forest Service						
Total other funds	\$2,550,610	\$0	\$22,687,420	\$0	\$0	\$197,800,000

	Adds Funding for Capital Building Funds⁷	Adjusts Forest Service Funding⁸	Total Other Funds Changes
University System Office			\$2,550,610
Bismarck State College	\$1,679,082		(3,062,872)
Lake Region State College	628,276		4,405,672
Williston State College	435,812		(137,663)
University of North Dakota	15,393,458		143,918,802
UND Medical Center			4,768,324
North Dakota State University	12,401,812		97,661,956
State College of Science	1,537,982		3,898,705
Dickinson State University	957,642		1,675,772
Mayville State University	833,832		1,906,832
Minot State University	2,042,828		3,207,692
Valley City State University	1,028,686		(1,583,258)
Dakota College at Bottineau	357,700		1,124,568
Forest Service		\$14,652	14,652
Total other funds	\$37,297,110	\$14,652	\$260,349,792

House Bill No. 1003 - North Dakota University System - All Funds Summary

	Base Budget	House Changes	House Version
University System Office	\$128,051,636	\$9,087,474	\$137,139,110
Bismarck State College	103,592,595	(2,768,093)	100,824,502
Lake Region State College	36,811,715	4,578,307	41,390,022
Williston State College	28,216,101	1,513,564	29,729,665
University of North Dakota	868,966,540	150,645,901	1,019,612,441
UND Medical Center	205,926,712	15,856,021	221,782,733
North Dakota State University	740,472,371	101,415,245	841,887,616
State College of Science	92,694,989	5,148,047	97,843,036
Dickinson State University	47,544,670	2,410,909	49,955,579
Mayville State University	44,556,753	3,987,600	48,544,353
Minot State University	101,809,895	3,138,052	104,947,947
Valley City State University	48,900,159	(980,684)	47,919,475
Dakota College at Bottineau	17,282,118	1,169,383	18,451,501
Forest Service	15,077,175	230,049	15,307,224
Total all funds	\$2,479,903,429	\$295,431,775	\$2,775,335,204
FTE	6,767.76	(157.89)	6,609.87

Detail of House Changes to All Funds

	Adjusts Funding for University System Office¹	Provides Funding Formula Adjustments²	Adjusts Special Funds and FTE Positions³	Adds Funding for Residency Program⁴	Adds One-Time Funding for Theodore Roosevelt Digitization⁵	Adds Funding for Capital Projects⁶
University System Office	\$9,087,474					
Bismarck State College		\$294,779	(\$4,741,954)			
Lake Region State College		172,635	777,396			\$3,000,000
Williston State College		1,651,227	(573,475)			
University of North Dakota		6,727,099	13,525,344			115,000,000
UND Medical Center		6,580,445	4,768,324	\$4,507,252		
North Dakota State University		3,753,289	5,460,144			79,800,000
State College of Science		1,249,342	2,360,723			
Dickinson State University		485,137	718,130		\$250,000	
Mayville State University		2,080,768	1,073,000			
Minot State University		(69,640)	1,164,864			
Valley City State University		602,574	(2,611,944)			
Dakota College at Bottineau		44,815	766,868			
Forest Service						
Total all funds	\$9,087,474	\$23,572,470	\$22,687,420	\$4,507,252	\$250,000	\$197,800,000
FTE	(0.50)	0.00	(157.39)	0.00	0.00	0.00

	Adds Funding for Capital Building Funds⁷	Adjusts Forest Service Funding⁸	Total All Funds Changes
University System Office			\$9,087,474
Bismarck State College	\$1,679,082		(2,768,093)
Lake Region State College	628,276		4,578,307
Williston State College	435,812		1,513,564
University of North Dakota	15,393,458		150,645,901
UND Medical Center			15,856,021
North Dakota State University	12,401,812		101,415,245
State College of Science	1,537,982		5,148,047
Dickinson State University	957,642		2,410,909
Mayville State University	833,832		3,987,600
Minot State University	2,042,828		3,138,052
Valley City State University	1,028,686		(980,684)
Dakota College at Bottineau	357,700		1,169,383
Forest Service		\$230,049	230,049
Total all funds	\$37,297,110	\$230,049	\$295,431,775
FTE	0.00	0.00	(157.89)

¹ Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

System Governance

	FTE Positions	General Fund	Other Funds	Total
Base payroll changes	(0.50)	\$760	(\$226,935)	(\$226,175)
Salary increase		174,561	6,969	181,530
Health insurance increase		90,278	4,462	94,740
Restore funding for the Midwestern Higher Education Compact		230,000		230,000
Total	(0.50)	\$495,599	(\$215,504)	\$280,095

The following schedule details funding adjustments for Core Technology Services:

Core Technology Services

	General Fund	Other Funds	Total
Base payroll changes	\$16	\$59	\$75
Salary increase	404,597	263,475	668,072
Health insurance increase	320,616	213,796	534,412
Remove funding from the student loan trust fund		(539,437)	(539,437)
Total	\$725,229	(\$62,107)	\$663,122

The following schedule details funding adjustments in other line items in the University System office budget:

	Funding Adjustments to Other Line Items			
	Base Level	General Fund Adjustment	Other Funds Adjustment	House Version
Capital bond payments	\$6,605,326	(\$1,645,878)		\$4,959,448
Title II	1,006,472		(\$1,006,472)	0
Student financial assistance grants	21,917,306	2,000,000		\$23,917,306
Professional student exchange program	3,699,342	465,307	(465,307)	3,699,342
Tribal college grants	600,000	400,000	(500,000)	500,000
Education incentive programs	2,863,393	(2,103,393)		760,000
Dual-credit instructor assistance	200,000		(200,000)	0
Tier III capital building fund pool		4,000,000	5,000,000	9,000,000
Challenge grants		2,200,000		2,200,000
Total	\$36,891,839	\$5,316,036	\$2,828,221	\$45,036,096

² The following adjustments are made to institution general fund appropriations through the higher education funding formula:

	Credit Hour Completion Adjustment	Salary Increase	Health Insurance Increase	Hold Harmless Provision	Total Increase
Bismarck State College	(\$822,345)	\$536,167	\$580,957		\$294,779
Dakota College at Bottineau	(233,523)	110,595	167,743		44,815
Lake Region State College	(292,840)	223,963	241,512		172,635
State College of Science	(64,604)	625,495	688,451		1,249,342
Williston State College	1,289,220	179,354	182,653		1,651,227
Dickinson State University	(228,509)	331,284	382,362		485,137
Mayville State University	1,443,653	293,670	343,445		2,080,768
Minot State University	(2,300,918)	721,208	799,191	\$710,879	(69,640)
Valley City State University	(217,974)	354,107	466,441		602,574
North Dakota State University	(716,330)	2,305,373	2,164,246		3,753,289
University of North Dakota	3,544	3,426,959	3,296,596		6,727,099
UND School of Medicine	6,580,445				6,580,445
Total	\$4,439,819	\$9,108,175	\$9,313,597	\$710,879	\$23,572,470

³ The following adjustments are made to institution other funds appropriations and FTE positions:

	FTE Positions Adjustment	Salary Increase	Health Insurance Increase	Other Adjustments	Total
Bismarck State College	(34.42)	\$684,881	\$793,112	(\$6,219,947)	(\$4,741,954)
Lake Region State College	(11.51)	240,968	297,550	238,878	777,396
Williston State College	(0.27)	244,194	249,961	(1,067,630)	(573,475)
University of North Dakota	(85.90)	6,998,168	6,588,173	(60,997)	13,525,344
UND School of Medicine	49.57	1,554,668	1,318,041	1,895,615	4,768,324
North Dakota State University	(25.50)	5,703,094	6,069,593	(6,312,543)	5,460,144
State College of Science	(34.31)	557,546	742,674	1,060,503	2,360,723
Dickinson State University	44.36	339,891	408,144	(29,905)	718,130
Mayville State University	(1.26)	382,722	621,084	69,194	1,073,000
Minot State University	(34.07)	832,505	1,032,444	(700,085)	1,164,864
Valley City State University	(22.07)	257,239	340,031	(3,209,214)	(2,611,944)
Dakota College at Bottineau	(2.01)	94,244	147,723	524,901	766,868
Total	(157.39)	\$17,890,120	\$18,608,530	(\$13,811,230)	\$22,687,420

⁴ Funding of \$4,507,252 from the general fund is added to continue funding 35 residency positions at the University of North Dakota School of Medicine and Health Sciences. Funding for the residency positions provided through the funding formula is transferred to the healthcare workforce initiative line item from the operations line item to provide total funding of \$10,676,150 for the residency program.

⁵ One-time funding of \$250,000 from the general fund is added for the digitization of documents at the Theodore Roosevelt Center.

⁶ One-time funding is added for the following capital building projects:

	<u>Other Funds</u>
LRSC precision agriculture center	\$3,000,000
UND athletics High Performance Center phase II	35,000,000
UND Memorial Union (revenue bonds)	80,000,000
NDSU Barry Hall	3,000,000
NDSU indoor practice facility	37,200,000
NDSU softball indoor facility	2,000,000
NDSU University Village phase II (revenue bonds)	37,600,000
Total	<u>\$197,800,000</u>

⁷ One-time funding, including \$10 million from Bank of North Dakota profits, is added as Tier II funding to establish a capital building fund at each institution as follows:

	<u>Bank of North Dakota</u>	<u>1 Percent Tuition Increase</u>	<u>Institution Match</u>	<u>Total</u>
Bismark State College	\$425,693	\$413,848	\$839,541	\$1,679,082
Lake Region State College	177,375	136,763	314,138	628,276
Williston State College	137,947	79,959	217,906	435,812
University of North Dakota	4,361,801	3,334,928	7,696,729	15,393,458
North Dakota State University	2,899,596	3,301,310	6,200,906	12,401,812
State College of Science	500,695	268,296	768,991	1,537,982
Dickinson State University	268,862	209,959	478,821	957,642
Mayville State University	240,029	176,887	416,916	833,832
Minot State University	572,801	448,613	1,021,414	2,042,828
Valley City State University	309,137	205,206	514,343	1,028,686
Dakota College at Bottineau	106,064	72,786	178,850	357,700
Total	<u>\$10,000,000</u>	<u>\$8,648,555</u>	<u>\$18,648,555</u>	<u>\$37,297,110</u>

⁸ The following funding adjustments are made for the Forest Service:

Forest Service

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Base payroll changes			\$14,652	\$14,652
Salary increase		\$94,921		94,921
Health insurance increase		120,476		120,476
Total	<u>0.00</u>	<u>\$215,397</u>	<u>\$14,652</u>	<u>\$230,049</u>

House Bill No. 1003 - Other Changes - House Action

This amendment also:

- Restores language in Title 15 of the North Dakota Century Code, relating to the Midwestern Higher Education Compact.
- Amends Section 15-10-49 to include Dickinson State University as an eligible institution for the higher education challenge grant program.
- Adds 3 new subsections to section 15-10-63, relating to capital project authorization.
- Amends Section 15-18.2-02 to transition funding for residency positions and the University of North Dakota School of Medicine and Health Sciences to a separate line item outside of the formula.
- Amends Section 15-62.4-03 relating to the student financial assistance program to increase the maximum annual award from \$1,950 to \$2,200.
- Repeals Section 15-10-61 relating to the dual-credit instructor assistance pilot program.
- Adds a section to provide for a portion of the funding formula allocation attributable to inflation to be transferred between the University of North Dakota and the University of North Dakota School of Medicine and Health Sciences.
- Adds a section to authorize the State Board of Higher Education to issue and sell revenue bonds for capital projects.
- Adds sections to provide requirements relating to Tier II and Tier III capital building fund moneys.
- Adds a section to provide for tuition increase limits.