

HOUSE BILL NO. 1003

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 a new chapter to title 15 and three new subsections to
3 section 15-10-63 of the North Dakota Century Code, relating to the midwestern higher
4 education compact and capital project authorization; to amend and reenact ~~section~~sections
5 15-10-49, 15-18.2-02, 15-18.2-05, 15-62.4-03, and 54-44.1-11 of the North Dakota Century
6 Code, relating to matching grants for institutions under the control of the state board of higher
7 education, state aid to institutions, the student financial assistance grant program, and the
8 cancellation of unexpended appropriations; ~~and~~to repeal section 15-10-61 of the North Dakota
9 Century Code, relating to the dual-credit instructor assistance program; to authorize the state
10 board of higher education to issue and sell bonds for capital projects; to provide for a transfer;
11 to provide for a report; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, and from special funds derived from federal funds and
16 other income, to the state board of higher education and to the entities and institutions under
17 the supervision of the board, for the purpose of defraying the expenses of the state board of
18 higher education and the entities and institutions under the control of the board, for the
19 biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

20 Subdivision 1.

21 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Recommendation	Appropriation
22	Governor's		
23			
24	Capital assets – bond payments	\$6,605,326	\$4,959,448
			\$6,605,326

Sixty-sixth
Legislative Assembly

1	Competitive research programs	6,027,750	6,027,750	6,027,750
2	System governance	8,163,238	7,962,044	8,163,238
3	Title II	1,006,472	0	1,006,472
4	Core technology services	61,527,347	61,226,017	61,527,347
5	Student financial assistance grants	21,917,306	21,917,306	21,917,306
6	Professional student exchange program	3,699,342	3,699,342	3,699,342
7	Academic and technical education	12,016,749	14,956,552	12,016,749
8	—scholarships			
9	Education challenge fund	0	40,000,000	0
10	Scholars program	1,807,115	1,807,115	1,807,115
11	Native American scholarship	555,323	555,323	555,323
12	Tribally controlled community college grants	600,000	1,000,000	600,000
13	Education incentive programs	2,863,393	760,000	2,863,393
14	Student mental health	284,400	270,180	284,400
15	Veterans' assistance grants	277,875	277,875	277,875
16	Shared campus services	500,000	475,000	500,000
17	Online curriculum development grant	0	5,000,000	0
18	Dual credit instructor assistance	200,000	0	200,000
19	Total all funds	\$128,051,636	\$170,893,952	\$128,051,636
20	Less estimated income	26,412,106	29,124,339	26,412,106
21	Total general fund	\$101,639,530	\$141,769,613	\$101,639,530
22	Full-time equivalent positions	149.40	148.90	149.40
23			Adjustments or	
24		Base Level	Enhancements	Appropriation
25	Capital assets - bond payments	\$6,605,326	(\$1,645,878)	\$4,959,448
26	Competitive research programs	6,027,750	0	6,027,750
27	System governance	8,163,238	280,095	8,443,333
28	Title II	1,006,472	(1,006,472)	0
29	Core technology services	61,527,347	663,122	62,190,469
30	Student financial assistance grants	21,917,306	2,000,000	23,917,306
31	Professional student exchange program	3,699,342	0	3,699,342

Sixty-sixth
Legislative Assembly

1	Academic and technical education	12,016,749	0	12,016,749
2	scholarships			
3	Scholars program	1,807,115	0	1,807,115
4	Native American scholarship	555,323	0	555,323
5	Tribally controlled community college grants	600,000	(100,000)	500,000
6	Education incentive programs	2,863,393	(2,103,393)	760,000
7	Student mental health	284,400	0	284,400
8	Veterans' assistance grants	277,875	0	277,875
9	Shared campus services	500,000	0	500,000
10	Dual-credit instructor assistance	200,000	(200,000)	0
11	Education challenge fund	0	2,200,000	2,200,000
12	Tier III capital building fund pool	0	9,000,000	9,000,000
13	Total all funds	\$128,051,636	\$9,087,474	\$137,139,110
14	Less estimated income	26,412,106	2,550,610	28,962,716
15	Total general fund	\$101,639,530	\$6,536,864	\$108,176,394
16	Full-time equivalent positions	149.40	(0.50)	148.90

Subdivision 2.

BISMARCK STATE COLLEGE

Governor's				
	Base Level	Recommendation	Appropriation	
21	Operations	\$101,670,034	\$97,493,173	\$101,670,034
22	Capital assets	1,922,561	1,912,213	1,922,561
23	Total all funds	\$103,592,595	\$99,405,386	\$103,592,595
24	Less estimated income	72,991,998	69,713,559	72,991,998
25	Total general fund	\$30,600,597	\$29,691,827	\$30,600,597
26	Full-time equivalent positions	358.35	323.93	358.35
Adjustments or				
	Base Level	Enhancements	Appropriation	
29	Operations	(\$4,447,175)	\$97,222,859	
30	Capital assets	0	1,922,561	
31	Capital building fund	1,679,082	1,679,082	

Sixty-sixth
Legislative Assembly

1	Total all funds	\$103,592,595	(\$2,768,093)	\$100,824,502
2	Less estimated income	72,991,998	(3,062,872)	69,929,126
3	Total general fund	\$30,600,597	\$294,779	\$30,895,376
4	Full-time equivalent positions	358.35	(34.42)	323.93

5 Subdivision 3.

6 LAKE REGION STATE COLLEGE

7	Governor's			
8		Base Level	Recommendation	Appropriation
9	Operations	\$36,449,048	\$37,030,548	\$36,449,048
10	Capital assets	362,667	362,667	362,667
11	Total all funds	\$36,811,715	\$37,393,215	\$36,811,715
12	Less estimated income	24,111,092	25,021,443	24,111,092
13	Total general fund	\$12,700,623	\$12,371,772	\$12,700,623
14	Full-time equivalent positions	129.61	118.10	129.61

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

24 Subdivision 4.

25 WILLISTON STATE COLLEGE

26	Governor's			
27		Base Level	Recommendation	Appropriation
28	Operations	\$26,954,133	\$32,006,559	\$26,954,133
29	Capital assets	1,261,968	1,261,968	1,261,968
30	Total all funds	\$28,216,101	\$33,268,527	\$28,216,101
31	Less estimated income	19,855,598	23,646,811	19,855,598

Sixty-sixth
Legislative Assembly

1	Total general fund	\$8,360,503	\$9,621,716	\$8,360,503
2	Full-time equivalent positions	100.75	100.48	100.75
3		Adjustments or		
4		Base Level	Enhancements	Appropriation
5	Operations	\$26,954,133	\$1,077,752	\$28,031,885
6	Capital assets	1,261,968	0	1,261,968
7	Capital building fund	0	435,812	435,812
8	Total all funds	\$28,216,101	\$1,513,564	\$29,729,665
9	Less estimated income	19,855,598	(137,663)	19,717,935
10	Total general fund	\$8,360,503	\$1,651,227	\$10,011,730
11	Full-time equivalent positions	100.75	(0.27)	100.48

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

14		Governor's		
15		Base Level	Recommendation	Appropriation
16	Operations	\$864,554,974	\$881,436,334	\$864,554,974
17	Capital assets	4,411,566	119,411,566	4,411,566
18	Total all funds	\$868,966,540	\$1,000,847,900	\$868,966,540
19	Less estimated income	728,870,450	861,497,363	728,870,450
20	Total general fund	\$140,096,090	\$139,350,537	\$140,096,090
21	Full-time equivalent positions	2,218.07	2,132.17	2,218.07
22		Adjustments or		
23		Base Level	Enhancements	Appropriation
24	Operations	\$864,554,974	\$20,252,443	\$884,807,417
25	Capital assets	4,411,566	115,000,000	119,411,566
26	Capital building fund	0	15,393,458	15,393,458
27	Total all funds	\$868,966,540	\$150,645,901	\$1,019,612,441
28	Less estimated income	728,870,450	143,918,802	872,789,252
29	Total general fund	\$140,096,090	\$6,727,099	\$146,823,189
30	Full-time equivalent positions	2,218.07	(85.90)	2,132.17

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

<u>Governor's</u>			
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
Operations	\$732,673,267	\$739,994,060	\$732,673,267
Capital assets	7,799,104	59,149,104	7,799,104
Capital projects – nonstate	0	79,800,000	0
Total all funds	\$740,472,371	\$878,943,164	\$740,472,371
Less estimated income	611,881,329	751,700,739	611,881,329
Total general fund	\$128,591,042	\$127,242,425	\$128,591,042
Full-time equivalent positions	1,895.66	1,870.16	1,895.66
<u>Adjustments or</u>			
	<u>Base Level</u>	<u>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

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

<u>Governor's</u>			
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
Operations	\$91,682,610	\$94,186,138	\$91,682,610
Capital assets	1,012,379	1,012,379	1,012,379
Capital projects – nonstate	0	30,000,000	0
Total all funds	\$92,694,989	\$125,198,517	\$92,694,989
Less estimated income	57,605,613	90,275,397	57,605,613
Total general fund	\$35,089,376	\$34,923,120	\$35,089,376
Full-time equivalent positions	345.04	310.73	345.04

Sixty-sixth
Legislative Assembly

	Adjustments or		
	Base Level	Enhancements	Appropriation
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

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Governor's		
	Base Level	Recommendation	Appropriation
Operations	\$47,135,592	\$47,820,851	\$47,135,592
Capital assets	409,078	409,078	409,078
Digitization project	0	750,000	0
Total all funds	\$47,544,670	\$48,979,929	\$47,544,670
Less estimated income	29,737,827	30,641,487	29,737,827
Total general fund	\$17,806,843	\$18,338,442	\$17,806,843
Full-time equivalent positions	168.90	213.26	168.90

	Adjustments or		
	Base Level	Enhancements	Appropriation
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

Subdivision 9.

MAYVILLE STATE UNIVERSITY

<u>Governor's</u>			
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
Operations	\$44,197,761	\$46,922,702	\$44,197,761
Capital assets	358,992	426,640	358,992
Total all funds	\$44,556,753	\$47,349,342	\$44,556,753
Less estimated income	30,307,148	31,647,060	30,307,148
Total general fund	\$14,249,605	\$15,702,282	\$14,249,605
Full-time equivalent positions	210.53	209.27	210.53

<u>Adjustments or</u>			
	<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

Subdivision 10.

MINOT STATE UNIVERSITY

<u>Governor's</u>			
	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
Operations	\$100,710,275	\$100,710,572	\$100,710,275
Capital assets	1,099,620	1,099,620	1,099,620
Total all funds	\$101,809,895	\$101,810,192	\$101,809,895
Less estimated income	62,058,916	63,663,260	62,058,916
Total general fund	\$39,750,979	\$38,146,932	\$39,750,979
Full-time equivalent positions	441.65	407.58	441.65

<u>Adjustments or</u>			
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$100,710,275	\$1,095,224	\$101,805,499

Sixty-sixth
Legislative Assembly

1	Capital assets	1,099,620	0	1,099,620
2	Capital building fund	0	2,042,828	2,042,828
3	Total all funds	\$101,809,895	\$3,138,052	\$104,947,947
4	Less estimated income	62,058,916	3,207,692	65,266,608
5	Total general fund	\$39,750,979	(\$69,640)	\$39,681,339
6	Full-time equivalent positions	441.65	(34.07)	407.58

7 Subdivision 11.

8 VALLEY CITY STATE UNIVERSITY

9	Governor's			
10		Base Level	Recommendation	Appropriation
11	Operations	\$48,444,336	\$45,701,893	\$48,444,336
12	Capital assets	455,823	4,413,343	455,823
13	Total all funds	\$48,900,159	\$50,115,236	\$48,900,159
14	Less estimated income	28,470,657	29,892,086	28,470,657
15	Total general fund	\$20,429,502	\$20,223,150	\$20,429,502
16	Full-time equivalent positions	202.75	180.68	202.75

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

26 Subdivision 12.

27 DAKOTA COLLEGE AT BOTTINEAU

28	Governor's			
29		Base Level	Recommendation	Appropriation
30	Operations	\$17,168,111	\$20,590,690	\$17,168,111
31	Capital assets	114,007	3,077,319	114,007

Sixty-sixth
Legislative Assembly

1	Total all funds	\$17,282,118	\$23,668,009	\$17,282,118
2	Less estimated income	9,629,173	16,270,121	9,629,173
3	Total general fund	\$7,652,945	\$7,397,888	\$7,652,945
4	Full-time equivalent positions	84.30	82.29	84.30
5		Adjustments or		
6		Base Level	Enhancements	Appropriation
7	Operations	\$17,168,111	\$811,683	\$17,979,794
8	Capital assets	114,007	0	114,007
9	Capital building fund	0	357,700	357,700
10	Total all funds	\$17,282,118	\$1,169,383	\$18,451,501
11	Less estimated income	9,629,173	1,124,568	10,753,741
12	Total general fund	\$7,652,945	\$44,815	\$7,697,760
13	Full-time equivalent positions	84.30	(2.01)	82.29
14	Subdivision 13.			
15	UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES			
16		Governor's		
17		Base Level	Recommendation	Appropriation
18	Operations	\$205,926,712	\$211,807,632	\$205,926,712
19	Health care workforce initiative	0	10,676,150	0
20	Total all funds	\$205,926,712	\$222,483,782	\$205,926,712
21	Less estimated income	154,078,620	159,750,033	154,078,620
22	Total general fund	\$51,848,092	\$62,733,749	\$51,848,092
23	Full-time equivalent positions	435.75	485.32	435.75
24		Adjustments or		
25		Base Level	Enhancements	Appropriation
26	Operations	\$205,926,712	\$5,179,871	\$211,106,583
27	Health care workforce initiative	0	10,676,150	10,676,150
28	Total all funds	\$205,926,712	\$15,856,021	\$221,782,733
29	Less estimated income	154,078,620	4,768,324	158,846,944
30	Total general fund	\$51,848,092	\$11,087,697	\$62,935,789
31	Full-time equivalent positions	435.75	49.57	485.32

1 Subdivision 14.

2 NORTH DAKOTA FOREST SERVICE

3 <u>Governor's</u>			
4	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
5 <u>Operations</u>	<u>\$14,958,447</u>	<u>\$15,019,321</u>	<u>\$14,958,447</u>
6 <u>Capital assets</u>	<u>118,728</u>	<u>118,728</u>	<u>118,728</u>
7 <u>Total all funds</u>	<u>\$15,077,175</u>	<u>\$15,138,049</u>	<u>\$15,077,175</u>
8 <u>Less estimated income</u>	<u>10,650,748</u>	<u>10,665,400</u>	<u>10,650,748</u>
9 <u>Total general fund</u>	<u>\$4,426,427</u>	<u>\$4,472,649</u>	<u>\$4,426,427</u>
10 <u>Full-time equivalent positions</u>	<u>27.00</u>	<u>27.00</u>	<u>27.00</u>

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

19 Subdivision 15.

20 BILL TOTAL

21 <u>Governor's</u>			
22	<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
23 <u>Grand total general fund</u>	<u>\$613,242,154</u>	<u>\$661,986,102</u>	<u>\$613,242,154</u>
24 <u>Grand total special funds</u>	<u>1,866,661,275</u>	<u>2,193,509,098</u>	<u>1,866,661,275</u>
25 <u>Grand total all funds</u>	<u>\$2,479,903,429</u>	<u>\$2,855,495,200</u>	<u>\$2,479,903,429</u>
26 <u>Adjustments or</u>			
27	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
28 <u>Grand total general fund</u>	<u>\$613,242,154</u>	<u>\$35,081,983</u>	<u>\$648,324,137</u>
29 <u>Grand total special funds</u>	<u>1,866,661,275</u>	<u>260,349,792</u>	<u>2,127,011,067</u>
30 <u>Grand total all funds</u>	<u>\$2,479,903,429</u>	<u>\$295,431,775</u>	<u>\$2,775,335,204</u>

1 **SECTION 2. ONE-TIME FUNDING.** The following amounts reflect one-time funding items
2 approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the 2019-21
3 biennium one-time funding items included in the appropriation in section 1 of this Act:

4	<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
5	Capital projects – other funds	\$168,505,000	\$0
6	Education challenge grants	2,000,000	0
7	<u>Capital projects - other funds</u>	<u>\$168,505,000</u>	<u>\$197,800,000</u>
8	<u>Education challenge grants</u>	<u>2,000,000</u>	<u>2,200,000</u>
9	<u>Tier II and tier III capital building funds</u>	<u>0</u>	<u>46,297,110</u>
10	<u>Theodore Roosevelt digitization</u>	<u>0</u>	<u>250,000</u>
11	Institution operations distributions	2,000,000	0
12	Dickinson state university operations and debt repayment	8,284,626	0
13	Two-year campus study	40,000	0
14	Valley City state university integrated carbon project	22,500,000	0
15	Minot state university projects	2,284,000	0
16	Midwestern higher education compact dues	<u>230,000</u>	<u>0</u>
17	Total all funds	\$205,843,626	\$0
18	Total other funds	193,289,000	0
19	Total general fund	\$12,554,626	\$0
20	<u>Total all funds</u>	<u>\$205,843,626</u>	<u>\$246,547,110</u>
21	<u>Total other funds</u>	<u>193,289,000</u>	<u>240,097,110</u>
22	<u>Total general fund</u>	<u>\$12,554,626</u>	<u>\$6,450,000</u>

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

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

30 Midwestern regional higher education compact.

31 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.

1 5. The commission shall meet at least once each calendar year. The chairman may call
2 additional meetings and upon the request of a majority of the commission members of
3 three or more compacting states, shall call additional meetings. The commission shall
4 give public notice of all meetings. All meetings must be open to the public.

5 6. Each compacting state represented at any meeting of the commission is entitled to
6 one vote. A majority of the compacting states constitute a quorum for the transaction of
7 business, unless a larger quorum is required by the bylaws of the commission.

8 **ARTICLE III - POWERS AND DUTIES OF THE COMMISSION**

9 1. The commission shall adopt bylaws governing its management and operations.

10 2. Notwithstanding the laws of any compacting state, the commission shall provide for
11 the personnel policies and programs of the compact in its bylaws.

12 3. The commission shall submit a budget to the governor and legislative assembly of
13 each compacting state at the time and for the period required by each state. The
14 budget must contain recommendations regarding the amount to be appropriated by
15 each compacting state.

16 4. The commission shall report annually to the legislative assemblies and governors of
17 the compacting states, to the midwestern governors' conference, and to the
18 midwestern legislative conference of the council of state governments regarding the
19 activities of the commission during the preceding year. The reports must include any
20 recommendations that have been adopted by the commission.

21 5. The commission may borrow, accept, or contract for the services of personnel from
22 any state or from the United States, or from any subdivision or agency thereof, from
23 any interstate agency, or from any person.

24 6. The commission may accept for any of its purposes and functions under the compact
25 donations and grants of money, equipment, supplies, materials, and services,
26 conditional or otherwise, from any state or the United States or from any subdivision or
27 agency thereof, from an interstate agency, or from any person, and may receive, use,
28 and dispose of the same.

29 7. The commission may enter agreements with any other interstate education
30 organization or agency, with institutions of higher education located in nonmember
31 states, and with any of the various states to provide adequate programs and services.

1 in higher education for the citizens of the respective compacting states. After
2 negotiations with interested institutions and interstate organizations or agencies, the
3 commission shall determine the cost of providing the programs and services in higher
4 education for use in these agreements.

5 8. The commission may establish and maintain offices in one or more of the compacting
6 states.

7 9. The commission may establish committees and hire staff as necessary to carry out its
8 functions.

9 10. The commission may provide for actual and necessary expenses for the attendance of
10 its members at official meetings of the commission or of its designated committees.

11 **ARTICLE IV - ACTIVITIES OF THE COMMISSION**

12 1. The commission shall collect data on the long-range effects of the compact on higher
13 education. By the end of the fourth year from the effective date of the compact and
14 every two years thereafter, the commission shall review its accomplishments and
15 make recommendations to the governors and legislative assemblies of the compacting
16 states regarding continuance of the compact.

17 2. The commission shall study higher education issues that are of particular concern to
18 the midwestern region. The commission also shall study the need for higher education
19 programs and services in the compacting states and the resources for meeting those
20 needs. The commission shall prepare reports, on its research, for presentation to the
21 governors and legislative assemblies of the compacting states, as well as to other
22 interested parties. In conducting the studies, the commission may confer with any
23 national or regional planning body. The commission may draft and recommend to the
24 governors and legislative assemblies of the various compacting states suggested
25 legislation addressing issues in higher education.

26 3. The commission shall study the need for the provision of adequate programs and
27 services in higher education, such as undergraduate, graduate, or professional
28 student exchanges in the region. If a need for exchange in a field is apparent, the
29 commission may enter agreements with any institution of higher education and with
30 any compacting state to provide programs and services in higher education for the
31 citizens of the respective compacting states. After negotiating with interested

1 institutions and the compacting states, the commission shall determine the cost of
2 providing the programs and services in higher education for use in its agreements.
3 The contracting states shall contribute funds not otherwise provided, as determined by
4 the commission, to carry out the agreements. The commission may also serve as the
5 administrative and fiscal agent in carrying out agreements for higher education
6 programs and services.

7 4. The commission shall serve as a clearinghouse for information regarding higher
8 education activities among institutions and agencies.

9 5. The commission may provide services and research in any other area of regional
10 concern.

11 **ARTICLE V - FINANCE**

12 1. The compacting states will appropriate the amount necessary to finance the general
13 operations of the commission, not otherwise provided for, when authorized by their
14 respective legislative assemblies. The amount must be apportioned equally among the
15 compacting states.

16 2. The commission may not incur any obligations prior to the passage of appropriations
17 adequate to meet the same; nor may the commission pledge the credit of any of the
18 compacting states, except by and with the authority of the compacting state.

19 3. The commission shall keep accurate accounts of its receipts and disbursements. The
20 receipts and disbursements of the commission are subject to the audit and accounting
21 procedures established under its bylaws. All receipts and disbursements handled by
22 the commission must be audited yearly by a certified or licensed public accountant
23 and the report of the audit must be included in and become part of the annual report of
24 the commission.

25 4. The accounts of the commission must be open at any reasonable time for inspection
26 by duly authorized representatives of the compacting states and by persons
27 authorized by the commission.

28 **ARTICLE VI - ELIGIBLE PARTIES AND ENTRY INTO FORCE**

29 1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri,
30 Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become

1 parties to this compact. Additional states may be eligible if approved by a majority of
2 the compacting states.

3 2. This compact becomes effective, as to any eligible party state, when its legislative
4 assembly enacts the compact into law.

5 3. An amendment to the compact becomes effective upon its enactment by the
6 legislative assemblies of all compacting states.

7 **ARTICLE VII - WITHDRAWAL, DEFAULT, AND TERMINATION**

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

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

25 **ARTICLE VIII - SEVERABILITY AND CONSTRUCTION**

26 The provisions of this compact are severable, and if any phrase, clause, sentence, or
27 provision of this compact is declared to be contrary to the constitution of any compacting state
28 or of the United States or its applicability to any person or circumstance is held invalid, the
29 validity of the remainder of the compact and its applicability to any person or circumstance may
30 not be affected. If the compact is found to be contrary to the constitution of any compacting
31 state, the compact remains in full force and effect as to the remaining states and in full force

1 and effect as to the state affected as to all severable matters. The provisions of the compact
2 must be liberally construed to effectuate the purpose of the compact.

3 **Midwestern higher education commission - Terms - Vacancies.**

4 1. The members of the midwestern higher education commission representing this state
5 are:

6 a. The governor or the governor's designee.

7 b. One member of the senate and one member of the house of representatives,
8 appointed by the chairman of the legislative management.

9 c. Two at-large members, one of whom must be knowledgeable about the field of
10 higher education, appointed by the governor.

11 2. The term of each legislative appointee is two years. One initial at-large member must
12 be appointed for a term of two years and the other for a term of four years. Thereafter,
13 the term of each at-large member is four years.

14 3. If a member vacates the position to which the member was appointed, the position
15 must be filled for the remainder of the unexpired term in the same manner as that
16 position was filled initially.

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

19 **15-10-49. Advancement of academics - Matching grants - Two-year and four-year**
20 **institutions of higher education.**

21 1. a. Subject to legislative appropriations, each biennium during the period beginning
22 July first of each odd-numbered year and ending December thirty-first of each
23 even-numbered year, the state board of higher education shall award one dollar
24 in matching grants for every two dollars raised by the institutional foundations of
25 Bismarck state college, Dakota college at Bottineau, Dickinson state university,
26 Lake Region state college, Mayville state university, Minot state university, North
27 Dakota state college of science, Valley City state university, and Williston state
28 college for projects dedicated exclusively to the advancement of academics.

29 b. To be eligible for a matching grant, an institution must demonstrate that:

30 (1) Its foundation has raised at least twenty-five thousand dollars in cash or
31 monetary pledges for a qualifying project; and

- 1 (2) The project has been approved by the grant review committee established
2 in section 15-10-51.
- 3 c. The board may award up to two hundred thousand dollars in matching grants to
4 each institution.
- 5 2. a. If any available dollars have not been awarded by the board before January first
6 of each odd-numbered year, in accordance with subsection 1, any institution
7 listed in subsection 1 may apply for an additional matching grant.
- 8 b. An application submitted under this subsection must meet the same criteria as an
9 original application.
- 10 c. The board shall consider each application submitted under this subsection in
11 chronological order.
- 12 d. If the remaining dollars are insufficient to provide a matching grant in the amount
13 of one dollar for every two dollars raised by the institutional foundation, the board
14 shall award a lesser amount.
- 15 3. The state board of higher education shall retain up to one-quarter of one percent of
16 any grant awarded under this section to assist with administrative expenses incurred
17 in the grant review process.

18 **SECTION 5.** A new subsection to section 15-10-63 of the North Dakota Century Code is
19 created and enacted as follows:

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

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

28 Notwithstanding any existing agreements, an institution under the control of the state
29 board of higher education shall obtain approval from the legislative assembly before
30 an institution purchases, rents, occupies, or otherwise utilizes a building or any portion
31 of a building for a purpose that directly or indirectly supports or relates to the

1 institution's educational or administrative functions if the building is located more than
2 ten miles from the campus of the institution. This subsection does not apply to
3 buildings utilized by an institution to offer dual-credit courses, buildings utilized by the
4 agricultural experiment station and research extension centers, and buildings utilized
5 by the North Dakota state university extension service. For purposes of this section,
6 "campus" means the campus of the institution under the federal Clery Act [Pub. L.
7 105-244; 20 U.S.C. 1092(f)].

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

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

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

24 **15-18.2-02. Weighted credit-hours - Determination - Instructional program**
25 **classification factors - Submission to legislative management.**

26 1. In order to determine the weighted credit-hours for each institution under its control,
27 the state board of higher education shall multiply each of an institution's completed
28 credit-hours, as determined under section 15-18.2-01, by an instructional program
29 classification factor, as set forth in this section.

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

31 (1) 1.9 for lower division credits;

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

1 (3) 7.5 for professional level credits; and

2 (4) 10.0 for graduate level credits.

3 h. The factors for credits completed in the health sciences are:

4 (1) 3.0 for lower division credits;

5 (2) 6.0 for upper division credits;

6 (3) 9.0 for professional level credits;

7 (4) 12.0 for graduate level credits; and

8 (5) ~~38.0~~34.5 for medical school credits.

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

10 (1) 3.5 for lower division credits;

11 (2) 7.0 for upper division credits;

12 (3) 10.5 for professional level credits; and

13 (4) 14.0 for graduate level credits.

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

15 (1) 1.0 for lower division credits;

16 (2) 2.0 for upper division credits;

17 (3) 3.0 for professional level credits; and

18 (4) 4.0 for graduate level credits.

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

20 l. The factor for completed basic skills credits is 2.3.

21 2. a. The state board of higher education shall ensure that all delineations in this
22 section reflect the requirements of a nationally recognized and standardized
23 instructional program classification system.

24 b. Before adopting any changes to the delineations implemented in accordance with
25 this section, the state board of higher education shall present the proposed
26 changes to and receive the approval of the legislative management.

27 **SECTION 9. AMENDMENT.** Section 15-18.2-05 of the North Dakota Century Code is

28 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.

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

1 **54-44.1-11. Office of management and budget to cancel unexpended appropriations -**
2 **When they may continue. (Effective through July 31, ~~2019~~2021)**

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

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

28 **Office of management and budget to cancel unexpended appropriations - When they**
29 **may continue. (Effective after July 31, ~~2019~~2021)** The office of management and budget,
30 thirty days after the close of each biennial period, shall cancel all unexpended appropriations or
31 balances of appropriations after the expiration of the biennial period during which they became

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

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

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

21 **SECTION 13. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -**

22 **APPROPRIATION.** All funds, in addition to those appropriated in section 1 of this Act, from
23 federal, private, and other sources for competitive grants or other funds that the legislative
24 assembly has not indicated the intent to reject, including tuition revenue, received by the state
25 board of higher education and the institutions and entities under the control of the state board of
26 higher education, are appropriated to the board and those institutions and entities, for the
27 biennium beginning July 1, 2019, and ending June 30, 2021. All additional funds received under
28 the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2019,
29 and ending June 30, 2021, are appropriated to the state board of higher education for
30 reimbursement to institutions under the control of the board.

1 **SECTION 14. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the
2 ~~biennium period~~ beginning ~~July 1, 2019~~ with the effective date of this Act, and ending June 30,
3 2021, each capital project authorized by the state board of higher education must have
4 adequate project management oversight by either an institution official or a representative of an
5 external entity. An institution may seek assistance from the North Dakota university system
6 office for project management oversight of a capital project.

7 ~~— **SECTION 15. STUDENT LOAN TRUST FUND.** Subdivision 1 of section 1 of this Act
8 includes the sum of \$1,504,744, or so much of the sum as may be necessary, from the student
9 loan trust fund of which \$465,307 is for the professional student exchange program, \$500,000 is
10 for grants to tribally controlled community colleges, and \$539,437 is for connectND campus
11 solution positions, for the biennium beginning July 1, 2019, and ending June 30, 2021.~~

12 ~~— Subdivision 13 of section 1 of this Act includes the sum of \$13,806,856, or so much of the
13 sum as may be necessary, from the student loan trust fund for residency positions at the
14 university of North Dakota school of medicine and health sciences, for the biennium beginning
15 July 1, 2019, and ending June 30, 2021.~~

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

23 **SECTION 16. TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT REPORT.**

24 Notwithstanding section 54-16-04, the state board of higher education may transfer
25 appropriation authority from the operations to the capital assets and capital building fund line
26 items within subdivisions 2 through 14 of section 1 of this Act for the biennium beginning July 1,
27 2019, and ending June 30, 2021. The board shall report any transfer of funds under this section
28 to the office of management and budget and the legislative management.

29 **SECTION 17. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding
30 any other provisions of law, the state board of higher education may adjust full-time equivalent
31 positions as needed, subject to the availability of funds, for institutions and entities under its

1 control during the biennium beginning July 1, 2019, and ending June 30, 2021. The North
2 Dakota university system shall report any adjustments to the office of management and budget
3 as part of the submission of the 2021-23 biennium budget request.

4 **SECTION 18. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.**

5 The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding
6 from the general fund for institution extraordinary repairs. An institution shall provide two dollars
7 of matching funds from operations or other sources for each one dollar of extraordinary repairs
8 funding used for a project. An institution may not use tier II or tier III capital building fund
9 moneys as matching funds under this section.

10 **SECTION 19. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The state board of

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

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

23 **SECTION 20. TRANSFER - BANK OF NORTH DAKOTA PROFITS - TIER II CAPITAL**

24 **BUILDING FUNDS - MATCHING FUNDS.** The industrial commission shall transfer to
25 institutions under the control of the state board of higher education a total of \$10,000,000, or so
26 much of the sum as may be necessary, from the current earnings and accumulated undivided
27 profits of the Bank of North Dakota during the period beginning with the effective date of this
28 Act, and ending June 30, 2021, as requested by the commissioner of higher education. The
29 capital building fund and estimated income line items in subdivisions 2 through 12 of section 1
30 of this Act include \$10,000,000 from the current earnings and accumulated undivided profits of

1 the Bank of North Dakota and \$8,648,555 from a one percent per year increase in tuition as
2 follows:

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

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

22 **SECTION 21. TRANSFER - BANK OF NORTH DAKOTA PROFITS - TIER III CAPITAL**
23 **BUILDING FUND POOL - MATCHING FUNDS.** The industrial commission shall transfer to the
24 North Dakota university system office a total of \$5,000,000, or so much of the sum as may be
25 necessary, from the current earnings and accumulated undivided profits of the Bank of North
26 Dakota during the period beginning with the effective date of this Act, and ending June 30,
27 2021, as requested by the commissioner of higher education. The tier III capital building fund
28 pool and estimated income line items in subdivision 1 of section 1 of this Act include \$5,000,000
29 from the current earnings and accumulated undivided profits of the Bank of North Dakota. The
30 tier III capital building fund pool in subdivision 1 of section 1 of this Act also includes \$4,000,000

1 from the general fund. Funding from the tier III capital building fund pool is to be allocated to
2 each institution as follows:

	<u>Tier III Capital Building Fund</u>
3	
4 Bismarck state college	\$500,000
5 Lake Region state college	500,000
6 Williston state college	500,000
7 University of North Dakota	2,250,000
8 North Dakota state university	2,250,000
9 North Dakota state college of science	500,000
10 Dickinson state university	500,000
11 Mayville state university	500,000
12 Minot state university	500,000
13 Valley City state university	500,000
14 Dakota college at Bottineau	<u>500,000</u>
15 Total	\$9,000,000

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

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

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

- 1 1. Except as provided in this section, notwithstanding any other provision of law, the state
2 board of higher education may not increase tuition rates for resident students
3 attending institutions of higher education under its control during the 2019-20
4 academic year by more than three percent as compared to the tuition rate in effect
5 during the 2019 spring semester unless the board receives prior budget section
6 approval. Before approving or denying the request, the budget section shall consider
7 the effect the tuition rate increase will have on current and prospective students, tuition
8 rates at comparable institutions in neighboring states, and the institution's planned use
9 of additional tuition revenue.
- 10 2. Except as provided in this section, notwithstanding any other provision of law, the state
11 board of higher education may not increase tuition rates for resident students
12 attending institutions of higher education under its control during the 2020-21
13 academic year by more than three percent as compared to the tuition rate in effect
14 during the 2020 spring semester unless the board receives prior budget section
15 approval. Before approving or denying the request, the budget section shall consider
16 the effect the tuition rate increase will have on current and prospective students, tuition
17 rates at comparable institutions in neighboring states, and the institution's planned use
18 of additional tuition revenue.
- 19 3. This section does not apply to tuition rates charged for graduate level programs,
20 including programs offered through the university of North Dakota school of medicine
21 and health sciences, the university of North Dakota school of law, or the North Dakota
22 state university school of pharmacy.
- 23 4. This section does not apply to tuition rates for nonresident students attending
24 institutions of higher education under the control of the state board of higher
25 education. For purposes of this section, the residency of students for tuition purposes
26 must be determined under section 15-10-19.1.
- 27 5. This section does not apply to tuition rates determined under tuition reciprocity
28 agreements entered into by the state board of higher education with other states or
29 state education compacts.
- 30 6. For purposes of this section, an institution must calculate a resident tuition rate
31 increase based on the tuition rate paid by an average full-time resident student. The

1 state board of higher education may exclude adjustments to a tuition rate resulting
2 from a change in an institution's method of charging tuition, including the consolidation
3 of existing fees into tuition rates or charging tuition based on a per-credit rate, from
4 tuition rate calculations under this section.

5 7. The state board of higher education may increase tuition rates for all students
6 attending institutions of higher education under its control during the 2019-20
7 academic year by an additional one percent as compared to the tuition rate in effect
8 during the 2019 spring semester if the institution has provided matching funds from
9 operations or other sources for each one dollar generated from the one percent
10 increase in tuition, which must be deposited in each institution's capital building fund.

11 8. The state board of higher education may increase tuition rates for all students
12 attending institutions of higher education under its control during the 2020-21
13 academic year by an additional one percent as compared to the tuition rate in effect
14 during the 2020 spring semester if the institution has provided matching funds from
15 operations or other sources for each one dollar generated from the one percent
16 increase in tuition, which must be deposited in each institution's capital building fund.

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