

Introduced by

1 A BILL for an Act to create and enact a new chapter to title 15 of the North Dakota Century
2 Code, relating to capital building funds; and to declare an emergency.

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

4 **SECTION 1.** A new chapter to title 15 of the North Dakota Century Code is created and
5 enacted as follows:

6 **Capital building funds - Creation - Exception.**

7 Each institution of higher education under the control of the state board of higher education
8 shall establish a capital building fund consisting of moneys appropriated as tier II funding for
9 each institution's capital building fund and any tier III funding transferred from the university
10 system office which is designated for each institution's capital building fund. Unexpended
11 appropriations or balances in university system institution capital building funds are not subject
12 to cancellation by the office of management and budget under section 54-44.1-11.

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

14 Subject to matching requirements under this chapter, each institution may use moneys from
15 its capital building fund for projects specifically authorized by the legislative assembly to use
16 capital building fund moneys. In addition, after an institution has matched and committed
17 seventy-five percent of the funding appropriated for institution extraordinary repairs and subject
18 to state board of higher education approval and matching requirements under this chapter, each
19 institution may use moneys from its capital building fund for extraordinary repairs and deferred
20 maintenance projects that do not increase the square footage of a building. The state board of
21 higher education shall report biennially to the legislative management and to the appropriations
22 committees of the legislative assembly on the use of funding in each institution's capital building
23 fund, the source of matching funds, and each institution's five-year plan for capital construction
24 spending.

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

2 Tier II capital building fund moneys include any amount appropriated to an institution's
3 capital building fund. Before spending tier II capital building fund moneys on a project, an
4 institution shall provide one dollar of matching funds from operations or other sources for each
5 one dollar to be used from the institution's capital building fund for the project. An institution may
6 not use extraordinary repairs funding, tier III capital building fund moneys, or state funding
7 appropriated for a specific capital project as matching funds under this section.

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

9 Tier III capital building fund moneys include any amount transferred to an institution from
10 the university system office capital building fund pool. Before receiving tier III capital building
11 fund moneys from the university system office, an institution shall provide two dollars of
12 matching funds from operations or other sources for each one dollar requested from the tier III
13 capital building fund pool. An institution may not use extraordinary repairs funding, tier II capital
14 building fund moneys, or state funding appropriated for a specific capital project as matching
15 funds under this section.

16 **SECTION 2. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding
17 from the respective institution's capital building fund for the following projects authorized by the
18 sixty-sixth legislative assembly:

19	North Dakota state university - Dunbar Hall	\$51,200,000
20	North Dakota state university - agriculture products development center	60,000,000
21	University of North Dakota - Gamble Hall	<u>70,000,000</u>
22	Total	\$181,200,000

23 **SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure.