

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 for each institution's
9 capital building fund. Unexpended appropriations or balances in university system institution
10 capital building funds are not subject to cancellation by the office of management and budget
11 under section 54-44.1-11.

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

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

1 **Capital building funds - Matching requirements.**

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

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

10	North Dakota state university - Dunbar Hall	\$51,200,000
11	North Dakota state university - agriculture products development center	60,000,000
12	University of North Dakota - Gamble Hall	<u>70,000,000</u>
13	Total	\$181,200,000

14 **SECTION 3. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.**

15 Funding appropriated to institutions of higher education under the control of the state board of
16 higher education for extraordinary repairs may be used for extraordinary repairs, deferred
17 maintenance, and debt service payments relating to extraordinary repairs and deferred
18 maintenance projects. An institution shall provide two dollars of matching funds from operations
19 or other sources for each one dollar of extraordinary repairs funding used for a project or debt
20 service payment. An institution may not use capital building fund moneys or state funding
21 appropriated for a specific capital project as matching funds under this section.

22 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.