Sixty-seventh Legislative Assembly of North Dakota

FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2003

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 section 15-18.2-06.1 and a new chapter to title 15 of the 3 North Dakota Century Code, relating to a higher education funding formula minimum amount 4 payable and a university system capital building fund; to amend and reenact subdivision c of 5 subsection 1 of section 15-10-48, subdivision k of subsection 1 of section 15-18.2-02, and 6 sections 15-18.2-03, 15-18.2-05, and 54-44.1-11 of the North Dakota Century Code and 7 section 2 of chapter 53 of the 2019 Session Laws, relating to matching grants for the 8 advancement of academics, the higher education funding formula and, the cancellation of 9 unexpended appropriations, and appropriations for higher education capital projects; to amend-10 and reenact section 2 of chapter 53 of the 2019 Session Laws, relating to appropriations for-11 higher education capital projects; to repeal subdivision d of subsection 1 of section 15-10-48 12 and section 15-18.2-04 of the North Dakota Century Code, relating to the eligibility of the 13 university of North Dakota school of medicine and health sciences to receive a matching grant 14 for the advancement of academics and the institutional size factor of the higher education 15 funding formula; to provide for a transfer; to provide for a report; to provide an exemption; to 16 provide for a study; to provide a statement of legislative intent; to provide a continuing 17 appropriation; and to declare an emergency.

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

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the state board of higher education and to the entities and institutions under the supervision of the board, for the purpose of defraying the expenses of the state board of

1 higher education and the entities and institutions under the control of the board, for the

2 biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

3 Subdivision 1.

4	NORTH DAKOTA UNIVERSITY SYSTEM							
5	Adjustments or							
6		Base Level	Enhancements	Appropriation				
7	Capital assets - bond payments	\$4,959,448	\$8,425,816	\$13,385,264				
8	Competitive research programs	5,685,750	0	5,685,750				
9	System governance	8,737,867	81,471	8,819,338				
10	Core technology services	62,286,128	740,101	63,026,229				
11	Student financial assistance grants	23,917,306	2,400,000	26,317,306				
12	System governance	8,737,867	(132,297)	8,605,570				
13	Core technology services	62,286,128	676,689	62,962,817				
14	Student financial assistance grants	23,917,306	0	23,917,306				
15	Professional student exchange program	3,699,342	0	3,699,342				
16	Academic and CTE scholarships	12,016,749	4,200,000	16,216,749				
17	Scholars program	1,807,115	0	1,807,115				
18	Native American scholarship	555,323	0	555,323				
19	Tribally controlled community	1,000,000	0	1,000,000				
20	college grants							
21	Education incentive programs	260,000	0	260,000				
22	Student mental health	284,400	0	284,400				
23	Veterans' assistance grants	277,875	0	277,875				
24	Shared campus services	500,000	300,000	800,000				
25	Nursing education consortium	0	1,356,000	1,356,000				
26	Math pathways	0	150,000	150,000				
27	NASA EPSCoR	<u>342,000</u>	<u>0</u>	<u>342,000</u>				
28	Total all funds	\$126,329,303	\$17,653,388	\$143,982,691				
29	Less estimated income	<u>24,002,206</u>	276,821	<u>24,279,027</u>				
30	Total general fund	\$102,327,097	\$17,376,567	\$119,703,664				
31	Total all funds	\$126,329,303	\$14,976,208	<u>\$141,305,511</u>				

1	Less estimated income	24,002,206	254,829	24,257,035
2	Total general fund	\$102,327,097	\$14,721,379	<u>\$117,048,476</u>
3	Full-time equivalent positions	148.90	9.93	158.83
4	Subdivision 2.			
5		BISMARCK STATE COLI	_EGE	
6			Adjustments or	
7		Base Level	Enhancements	Appropriation
8	Operations	\$98,743,682	\$1,788,163	\$100,531,845
9	Capital assets	<u>1,922,561</u>	<u>0</u>	<u>1,922,561</u>
10	Total all funds	\$100,666,243	\$1,788,163	\$102,454,406
11	Less estimated income	<u>69,598,016</u>	782,330	<u>70,380,346</u>
12	Total general fund	\$31,068,227	\$1,005,833	\$32,074,060
13	Operations	\$98,743,682	\$1,827,705	\$100,571,387
14	Capital assets	1,922,561	0	1,922,561
15	Total all funds	\$100,666,243	\$1,827,705	\$102,493,948
16	Less estimated income	69,598,016	811,877	70,409,893
17	Total general fund	\$31,068,227	\$1,015,828	\$32,084,055
18	Full-time equivalent positions	323.93	8.97	332.90
19	Subdivision 3.			
20		LAKE REGION STATE CO	LLEGE	
21			Adjustments or	
22		Base Level	Enhancements	Appropriation
23	Operations	\$37,559,127	\$1,588,168	\$39,147,295
24	Capital assets	<u>362,667</u>	<u>363,000</u>	<u>725,667</u>
25	Total all funds	\$37,921,794	\$1,951,168	\$39,872,962
26	Less estimated income	<u>24,976,514</u>	<u>658,619</u>	<u> 25,635,133</u>
27	Total general fund	<u>\$12,945,280</u>	<u>\$1,292,549</u>	\$14,237,829
28	Operations	\$37,559,127	\$1,591,786	\$39,150,913
29	Capital assets	362,667	363,000	725,667
30	Total all funds	\$37,921,794	\$1,954,786	\$39,876,580
31	Less estimated income	24,976,514	657,914	25,634,428

1 Total general fund \$12,945,280 \$1,296,872 \$14,242,152 2 Full-time equivalent positions 118.10 115.76 (2.34)3 Subdivision 4. 4 WILLISTON STATE COLLEGE 5 Adjustments or 6 Base Level Enhancements Appropriation \$32,596,060 7 Operations \$1.452.908 \$34,048,968 8 Capital assets 1,261,968 -0-1,261,968 \$33,858,028 9 Total all funds <u>\$1,452,908</u> \$35,310,936 10 23,790,285 Less estimated income 237.339 24,027,624 11 Total general fund \$10,067,743 \$1,215,569 \$11,283,312 12 \$32,596,060 Operations \$1,448,244 \$34,044,304 13 1,261,968 Capital assets 0 1,261,968 14 Total all funds \$33,858,028 \$1,448,244 \$35,306,272 15 Less estimated income 23,790,285 229,250 24,019,535 16 \$10,067,743 \$1,218,994 Total general fund \$11,286,737 17 Full-time equivalent positions 100.48 0.81 101.29 18 Subdivision 5. 19 UNIVERSITY OF NORTH DAKOTA 20 Adjustments or 21 Base Level Enhancements **Appropriation** 22 \$888,106,266 Operations \$15,637,951 \$903,744,217 Capital assets 23 <u>4,411,566</u> -0-4,411,566 24 Total all funds \$892,517,832 \$15,637,951 \$908,155,783 Less estimated income 25 -744,185,677 -<u>11,777,467</u> 755,963,144 26 \$152,192,639 Total general fund \$148,332,155 \$3,860,484 27 Operations \$888,106,266 \$15,164,018 \$903,270,284 28 0 Capital assets 4,411,566 4,411,566 29 Total all funds \$892,517,832 \$15,164,018 \$907,681,850 30 Less estimated income 744,185,677 11,472,094 755,657,771

1 Total general fund \$148,332,155 \$3,691,924 \$152,024,079 2 Full-time equivalent positions 2,132.17 (72.19) 2,059.98 3 Subdivision 6. 4 NORTH DAKOTA STATE UNIVERSITY 5 Adjustments or 6 Base Level Enhancements Appropriation \$743,775,571 7 Operations \$12.770.712 \$756,546,283 Capital assets 8 -<u>7,799,104</u> -0-7,799,104 \$751,574,675 9 Total all funds \$12,770,712 \$764,345,387 10 Less estimated income 618,859,692 6,692,288 625,551,980 11 Total general fund \$132,714,983 \$6,078,424 \$138,793,407 12 \$756,174,321 Operations \$743,775,571 \$12,398,750 13 7,799,104 Capital assets 0 7,799,104 14 Total all funds \$751,574,675 \$12,398,750 \$763,973,425 15 Less estimated income 618,859,692 6,557,408 625,417,100 16 \$132,714,983 \$5,841,342 Total general fund <u>\$138,556,325</u> 17 Full-time equivalent positions 1,870.16 (40.73) 1,829.43 18 Subdivision 7. 19 NORTH DAKOTA STATE COLLEGE OF SCIENCE 20 Adjustments or 21 Base Level Enhancements Appropriation 22 \$95,725,411 Operations (\$213,890) \$95,511,521 23 Capital assets <u>1,012,379</u> -0-<u>1,012,379</u> \$96,737,790 (\$213,890) 24 Total all funds \$96,523,900 Less estimated income 25 60,195,768 624,033 60,819,801 26 Total general fund \$36,542,022 (\$837,923) \$35,704,099 27 Operations \$95,725,411 (\$177,946) \$95,547,465 28 1,012,379 0 Capital assets 1,012,379 29 Total all funds \$96,737,790 (\$177,946) \$96,559,844 30 Less estimated income 60,195,768 649,284 60,845,052

1 Total general fund \$36,542,022 (\$827,230) \$35,714,792 2 Full-time equivalent positions 310.73 0.88 311.61 3 Subdivision 8. 4 DICKINSON STATE UNIVERSITY 5 Adjustments or 6 Base Level Enhancements Appropriation \$48,560,994 7 Operations \$2.245.941 \$50,806,935 Capital assets 8 409.078 409.078 -0-\$48,970,072 9 Total all funds \$2,245,941 \$51,216,013 10 Less estimated income 30,577,009 405,018 30,982,027 11 Total general fund \$18,393,063 \$1,840,923 \$20,233,986 12 \$48,560,994 Operations \$2,265,066 \$50,826,060 13 409.078 Capital assets 0 409,078 14 \$2,265,066 Total all funds \$48,970,072 \$51,235,138 15 Less estimated income 30,577,009 415,399 30,992,408 16 \$18,393,063 \$1,849,667 Total general fund \$20,242,730 17 Full-time equivalent positions 213.26 (37.76)175.50 18 Subdivision 9. 19 MAYVILLE STATE UNIVERSITY 20 Adjustments or 21 Base Level Enhancements Appropriation 22 \$47,719,555 Operations \$2,809,482 \$50,529,037 Capital assets 23 -<u>358,992</u>--0-<u>358,992</u> 24 \$48.078,547 Total all funds <u>\$2,809,482</u> \$50,888,029 Less estimated income 25 31,657,931 -558,339-<u>32,216,270</u> 26 Total general fund \$16,420,616 \$2,251,143 \$18,671,759 27 Operations \$47,719,555 \$2,883,721 \$50,603,276 28 358,992 0 Capital assets 358,992 29 Total all funds \$48,078,547 \$2,883,721 \$50,962,268 30 Less estimated income 31,657,931 624,509 32,282,440

1 Total general fund \$16,420,616 \$2,259,212 \$18,679,828 2 Full-time equivalent positions 209.27 21.08 230.35 3 Subdivision 10. 4 MINOT STATE UNIVERSITY 5 Adjustments or 6 Base Level Enhancements Appropriation \$102,325,073 7 Operations \$1.786.019 \$104,111,092 8 Capital assets 1.099,620 -0-1,099,620 \$103,424,693 9 Total all funds \$1,786,019 \$105,210,712 10 63,528,000 Less estimated income 493,882 64,021,882 11 Total general fund \$39,896,693 \$1,292,137 \$41,188,830 12 \$102,325,073 Operations \$1,829,704 \$104,154,777 13 1,099,620 Capital assets 0 1,099,620 14 Total all funds \$103,424,693 \$1,829,704 \$105,254,397 15 Less estimated income 63,528,000 519,767 64,047,767 16 \$41,206,630 \$39,896,693 \$1,309,937 Total general fund 17 Full-time equivalent positions 407.58 (4.54)403.04 18 Subdivision 11. 19 VALLEY CITY STATE UNIVERSITY 20 Adjustments or 21 Base Level Enhancements Appropriation 22 \$48,176,928 Operations \$1,875,867 \$50,052,795 Capital assets 23 <u>455,823</u> -0-455,823 24 \$48,632,751 \$1,875,867 Total all funds \$50,508,618 Less estimated income 25 25,973,818 383,860 26,357,678 26 Total general fund \$22,658,933 \$1,492,007 \$24,150,940 27 Operations \$48,176,928 \$1,906,472 \$50,083,400 28 455,823 0 Capital assets 455,823 29 Total all funds \$48,632,751 \$1,906,472 \$50,539,223 30 Less estimated income 25,973,818 404,028 26,377,846

1	Total general fund	\$22,658,933	\$1,502,444	\$24,161,377		
2	Full-time equivalent positions	180.68	22.09	202.77		
3	Subdivision 12.					
4	DAK	OTA COLLEGE AT BO	TTINEAU			
5			Adjustments or			
6		Base Level	Enhancements	Appropriation		
7	Operations	\$21,440,606	\$2,177,944	\$23,618,550		
8	Capital assets	<u>114,007</u>	4,000,000	4,114,007		
9	Total all funds	\$21,554,613	\$6,177,944	\$27,732,557		
10	Less estimated income	<u>13,813,787</u>	<u>4,383,803</u>	<u>18,197,590</u>		
11	Total general fund	\$7,740,826	\$1,794,141	\$9,534,967		
12	Operations	\$21,440,606	\$2,199,449	\$23,640,055		
13	Capital assets	114,007	4,000,000	4,114,007		
14	Total all funds	\$21,554,613	\$6,199,449	\$27,754,062		
15	Less estimated income	13,813,787	4,402,413	18,216,200		
16	Total general fund	\$7,740,826	\$1,797,036	\$9,537,862		
17	Full-time equivalent positions	82.29	9.57	91.86		
18	Subdivision 13.					
19	UNIVERSITY OF NORTH DA	KOTA SCHOOL OF ME	DICINE AND HEALT	H SCIENCES		
20			Adjustments or			
21		Base Level	Enhancements	Appropriation		
22	Operations	\$213,244,364	\$3,870,855	\$217,115,219		
23	Health care workforce initiative	<u>10,676,150</u>	<u>0</u>	<u>10,676,150</u>		
24	Total all funds	\$223,920,514	\$3,870,855	\$227,791,369		
25	Less estimated income	<u>159,037,011</u>	<u>1,728,353</u>	<u> </u>		
26	Total general fund	\$64,883,503	\$2,142,502	\$67,026,005		
27	Operations	\$213,244,364	\$3,911,740	\$217,156,104		
28	Health care workforce initiative	10,676,150	0	10,676,150		
29	Total all funds	\$223,920,514	\$3,911,740	\$227,832,254		
30	Less estimated income	159,037,011	1,769,238	160,806,249		

	Legislative Assembly						
1	Total general fund	\$64,883,503	\$2,142,502	\$67,026,005			
2	Full-time equivalent positions	485.32	7.35	492.67			
3	Subdivision 14.						
4	NOR	TH DAKOTA FOREST S	ERVICE				
5			Adjustments or				
6		Base Level	Enhancements	Appropriation			
7	Operations	\$15,223,336	\$112,394	\$15,335,730			
8	Capital assets	<u>118,728</u>	<u> </u>	<u>118,728</u>			
9	Total all funds	\$15,342,064	<u>\$112,394</u>	\$15,454,458			
10	Less estimated income	<u>10,665,400</u>	<u>3,333</u>	<u> </u>			
11	Total general fund	\$4,676,664	\$109,061	\$4,785,725			
12	Operations	\$15,223,336	\$119,729	\$15,343,065			
13	Capital assets	118,728	0	118,728			
14	Total all funds	\$15,342,064	\$119,729	\$15,461,793			
15	Less estimated income	10,665,400	3,915	10,669,315			
16	Total general fund	\$4,676,664	\$115,814	\$4,792,478			
17	Full-time equivalent positions	27.00	1.00	28.00			
18	Subdivision 15.						
19		TOTAL - SECTION 1					
20			Adjustments or				
21	1	Base Level	Enhancements	Appropriation			
22	Grand total general fund	\$648,667,805	\$40,913,417	\$689,581,222			
23	Grand total special funds	<u>1,900,861,114</u>	<u>29,005,485</u>	<u>1,929,866,599</u>			
24	Grand total all funds	\$2,549,528,919	\$69,918,902	\$2,619,447,821			
25	Grand total general fund	\$648,667,805	\$37,935,721	\$686,603,526			
26	Grand total special funds	1,900,861,114	28,771,925	1,929,633,039			
27	Grand total all funds	\$2,616,236,565					
28	SECTION 2. ONE-TIME FUN	DING - EFFECT ON BA	SE BUDGET - REPO	ORT TO			
29	SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding						
20	itama approved by the given given	logialativo oppombly for t	ha 2010 21 hiannium	n and the			

30 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the

31 2021-23 biennium one-time funding items included in section 1 of this Act:

	0					
1	One-Time Funding Description	<u>2019-21</u>	<u>2021-23</u>			
2	Capital projects - other funds	\$408,500,000	\$4,363,000			
3	North Dakota state university settlement agreement	0	125,000			
4	Math pathways	0	150,000			
5	Education challenge grants	9,400,000	0			
6	School of law matching grants	250,000	0			
7	Tier II and tier III capital building funds	29,000,000	0			
8	Theodore Roosevelt digitization	200,000	0			
9	University of North Dakota campus network upgrades	1,500,000	0			
10	North Dakota state university campus network upgrades	<u>1,500,000</u>	<u>0</u>			
11	Total all funds	\$450,350,000	\$4,638,000			
12	Total other funds	<u>438,500,000</u>	<u>4,363,000</u>			
13	Total general fund	\$11,850,000	\$275,000			
14	Total all funds	\$450,350,000	\$4,638,000			
15	Total other funds	438,500,000	4,363,000			
16	Total general fund	\$11,850,000	\$275,000			
17	The 2021-23 biennium one-time funding amounts are	not a part of the	entity's base budget			
18	for the 2023-25 biennium. The institutions and entities un	der the control of	the state board of			
19	higher education shall report to the appropriations commi	ttees of the sixty-	eighth legislative			
20	assembly on the use of this one-time funding for the bien	nium beginning J	uly 1, 2021, and			
21	ending June 30, 2023.					
22		I - NORTH DAK	OTA STATE			
23	UNIVERSITY. There is appropriated out of any moneys ir	the general func	I in the state treasury,			
24	not otherwise appropriated, the sum of \$474,657, or so m	uch of the sum a	s may be necessary,			
25	to North Dakota state university for litigation fees relating to the A. Glenn Hill center project, for					
26	the period beginning with the effective date of this Act, and ending June 30, 2021.					
27	SECTION 3. APPROPRIATION - VALLEY CITY STA	TE UNIVERSITY	- PURCHASE OF			
28	LAND AUTHORIZED. The state board of higher education, acting for and through Valley City					
29	state university, is authorized to purchase two parcels of land in Barnes county, described as					
30	the south half of the east one-third of lot one, block four, o	of Andrus and Siff	ton's addition to the			
<u> </u>						

31 city of Valley City, and the south one hundred feet of the west one-third of the east half and the

east one-third of the west half of lot one, block four, in Andrus and Sifton's addition to the city of
Valley City, from the Valley City state university foundation for the use and betterment of Valley
City state university. There is appropriated from other funds the sum of \$309,000, or so much of
the sum as may be necessary, to Valley City state university for the purposes of this section for
the period beginning with the effective date of this Act and ending June 30, 2023. The funding
provided in this section is considered a one-time funding item.

7

SECTION 4. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -

8 **APPROPRIATION.** All funds, in addition to those appropriated in section 1 of this Act, from 9 federal, private, and other sources for competitive grants or other funds that the legislative 10 assembly has not indicated the intent to reject, including tuition revenue, received by the state 11 board of higher education and the institutions and entities under the control of the state board of 12 higher education, are appropriated to the board and those institutions and entities, for the 13 biennium beginning July 1, 2021, and ending June 30, 2023. All additional funds received under 14 the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2021. 15 and ending June 30, 2023, are appropriated to the state board of higher education for 16 reimbursement to institutions under the control of the board. 17 SECTION 5. TRANSFER - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE 18 AND HEALTH SCIENCES OPERATIONS. The operations line item in subdivision 5 of section 1 19 of this Act includes a funding allocation from the higher education per student credit-hour

20 funding formula attributable to inflation during the biennium beginning July 1, 2021, and ending

June 30, 2023. 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.

SECTION 7. UNSPENT FUNDS - TRANSFER - BANK OF NORTH DAKOTA PROFITS GENERAL FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND. Any amounts from the
 \$17,000,000 from the current earnings and accumulated profits of the Bank of North Dakota for the tier II and tier III capital building fund program and any amounts from the \$2,000,000 from the general fund for the tier III capital building fund program appropriated in section 1 of chapter 3 of the 2019 Session Laws which are not matched and committed for a project by-

1 June 30, 2021, must be transferred to the university system capital building fund at the end of 2 the biennium beginning July 1, 2019, and ending June 30, 2021. 3 SECTION 6. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -UNIVERSITY SYSTEM CAPITAL BUILDING FUND. The office of management and budget 4 5 shall transfer \$19,000,000 from the strategic investment and improvements fund to the 6 university system capital building fund during the period beginning with the effective date of this 7 Act, and ending June 30, 2023, as requested by the commissioner of higher education. Funding 8 transferred pursuant to this section is to be allocated to each institution as follows: 9 <u>Tier II</u> Tier III Total 10 Bismarck state college \$425,693 \$500,000 \$925,693 11 Lake Region state college 177,375 500,000 677,375 12 Williston state college 137,947 500,000 637,947 13 University of North Dakota 4,361,801 2,250,000 6,611,801 14 2,899,596 2,250,000 5,149,596 North Dakota state university 15 North Dakota state college of science 500,695 500,000 1,000,695 16 768,862 Dickinson state university 268,862 500,000 17 Mayville state university 240,029 500,000 740,029 18 Minot state university 572,801 500,000 1,072,801 19 Valley City state university 309,137 500,000 809,137 20 Dakota college at Bottineau <u>106,064</u> <u>500,000</u> 606,064 21 Total \$10,000,000 \$9,000,000 \$19,000,000 22 SECTION 7. CAPITAL BUILDING FUNDS - USES. The institutions listed may use funding 23 from the respective institution's university system capital building fund allocation for the 24 following projects authorized by the sixty-sixth and sixty-seventh legislative assemblies:

25	North Dakota state university - Dunbar Hall	\$51,200,000
26	North Dakota state university - Agriculture products development center	60,000,000
27	North Dakota state university - agriculture products development center	85,000,000
28	Lake Region state college - parking lot and infrastructure repair	250,000
29	Mayville state university - natural gas boiler	1,600,000
30	Williston state college - parking lot and infrastructure repair	850,000
31	Minot state university - Hartnett hall renovation	25,231,000

1		
1	North Dakota state college of science - Hektner student center improvements	7,210,455
2	Dickinson state university - Dickinson sports center	7,000,000
3	Bismarck state college - cybersecurity technology center addition	3,200,000
4	Dakota college at Bottineau - Old main renovation	4,000,000
5	University of North Dakota - Merrifield hall and Twamley hall renovation	79,000,000
6	University of North Dakota - Business school	70,000,000
7	Total	\$185,200,000
8	Total	\$334,541,455
9	SECTION 8. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND	LAKE REGION
10	STATE COLLEGE - DAKOTA COLLEGE AT BOTTINEAU - CAPITAL PROJE	ECTS. The
11	appropriation in subdivision 3 of section 1 of this Act includes the sum of \$363	,000 from the
12	strategic investment and improvements fund for the Lake Region state college	e Curtis and
13	Annette Hofstad agricultural center project. The appropriation in subdivision 12	2 of section 1 of
14	this Act includes the sum of \$2,000,000 \$2,500,000 from the strategic investme	ent and
15	improvements fund for the Dakota college at Bottineau old main renovation pro	oject.
16	SECTION 9. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHI	NG FUNDS. The
17	capital assets line items in subdivisions 2 through 12 of section 1 of this Act in	clude funding
18	from the general fund for institution extraordinary repairs. An institution shall p	rovide two dollars
19	of matching funds from operations or other sources for each one dollar of extra	aordinary repairs
20	funding used for a project.	
21	SECTION 10. AMENDMENT. Subdivision c of subsection 1 of section 15-	10-48 of the North
22	Dakota Century Code is amended and reenacted as follows:	
23	c. The board may award up to one million seven hundred thousan	d dollars in
24	matching grants to each institutionto the university of North Dak	ota and North
25	Dakota state university, and up to one million five hundred thous	sand dollars in
26	matching grants for projects at the university of North Dakota so	chool of medicine
27	and health sciences.	
28	SECTION 11. AMENDMENT. Subdivision k of subsection 1 of section 15-	18.2-02 of the
29	North Dakota Century Code is amended and reenacted as follows:	
30	k. The factorfactors for credits completed in career and technical e	education is
31	2.0<u>are:</u>	

1			<u>(1)</u>	3.0 for lower division credits; and
2			<u>(2)</u>	5.0 for upper division credits.
3	SEC		N 12.	AMENDMENT. Section 15-18.2-03 of the North Dakota Century Code is
4	amende	ed and	d reei	nacted as follows:
5	15-1	18.2-0)3. C	redit completion factor - Determination.
6	1.	Exc	ept a	is provided in subsections 2 and 3 of this section, for each institution under its
7		cont	trol, t	he state board of higher education shall multiply the product determined
8		und	er se	ection 15-18.2-02 by a factor of:
9		a.	1.00	0 if the number of credit-hours is at least 240,000;
10		b.	1.05	5 if the number of credit-hours is at least 180,000 but less than 240,000;
11		C.	1.1(0 if the number of credit-hours is at least 120,000<u>135,000</u> but less than
12			180	0,000;
13		d.	1.15	5 if the number of credit-hours is at least 90,000<u>130,000</u> but less than
14			12 0	,000<u>135,000;</u>
15		e.	1.20	0 if the number of credit-hours is at least 80,000<u>120,000</u> but less than
16			90,(900<u>130,000;</u>
17		f.	1.30	0 if the number of credit-hours is at least 70,000 but less than 80,000120,000 ;
18		g.	1.4(0 if the number of credit-hours is at least 60,000 but less than 70,000;
19		h.	1.50	0 if the number of credit-hours is at least 50,000 but less than 60,000;
20		i.	1.60	0 if the number of credit-hours is at least 40,000 but less than 50,000;
21		j.	1.70	0 if the number of credit-hours is at least 30,000 but less than 40,000; and
22		k.	1.80	0 if the number of credit-hours is less than 30,000.
23	2.	lf th	e કવા	uare footage of an institution, when divided by the institution's weighted credit-
24		hou	rs res	sults in a quotient greater than 5.00, the state board of higher education shall
25		muli	tiply t	the product determined under section 15-18.2-02 by a factor of 1.00. For-
26		purp	oses	s of this subsection, the square footage of an institution includes real property
27		as c	leterr	mined by the state board of higher education in accordance with section
28		15- 1	18.2- (04.
29	3.	If th	e nur	mber of credit-hours completed by an institution causes would cause a
30		dec	rease	e in the credit completion factor for that institution, the new credit completion
31		facte	or sh	all not be in effect for calculation purposes for the first two fiscal years

	following the change compared to the credit completion factor the institution was			
	entitled to receive during the 2017-19 biennium, the state board of higher education			
	shall multiply the product determined under section 15-18.2-02 by a credit growth			
	factor of 1.0 for credits in excess of the factor the institution was entitled to receive			
	during the 2017-19 biennium. Any weighted credit-hours multiplied by a credit growth			
	factor under this section must have a weight of 1.0 under section 15-18.2-02. The			
	state board of higher education shall multiply the remaining weighted credits by the			
	credit completion factor the institution was entitled to receive during the 2017-19			
	biennium.			
<u>4.3.</u>	For purposes of this section, the number of credit-hours must be those determined by			
	the state board of higher education in accordance with section 15-18.2-01.			
SEC	CTION 13. AMENDMENT. Section 15-18.2-05 of the North Dakota Century Code is			
amende	ed and reenacted as follows:			
15-1	18.2-05. Base funding - Determination of state aid.			
1.	Except as provided under subsection 2, in ordersubsections 2 and 3, 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			
1	15-18.2-04<u>15-18.2-03</u> by a base amount of:			
	a. \$60.87 <u>\$61.86</u> \$61.81 in the case of North Dakota state university and the			
1	university of North Dakota;			
	b. \$90.98\$92.56\$92.60 in the case of Dickinson state university, Mayville state			
1	university, Minot state university, and Valley City state university; and			
	c. \$97.06 <u>\$98.81</u> \$98.84 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. For institutions under subdivision b of			
	subsection 1, the state board of higher education shall multiply the product determined			
	under section 15-18.2-03 for credits completed in instructional programs under			
	SEC amende 15- 1.			

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1		subdivision k of subsection 1 of section 15-18.2-02 by the base amount under
2		subdivision c of subsection 1.
3	<u>3.</u>	For institutions under subdivision c of subsection 1, the state board of higher
4		education shall multiply the product determined under section 15-18.2-03 for upper
5		division credits completed in instructional programs under subdivisions a through j of
6		subsection 1 of section 15-18.2-02 by the base amount under subdivision b of
7		subsection 1.
8		CTION 15. Section 15-18.2-06.1 of the North Dakota Century Code is created and
9	enacted	as follows:
10	<u> </u>	18.2-06.1. Base funding - Minimum amount payable.
11	<u>Not</u> v	withstanding any calculations required by this chapter, during each biennium beginning
12	with the	2021-23 biennium, an institution may not receive less than ninety-six percent of the
13	state aid	I to which the institution was entitled under this chapter during the previous biennium.
14	SEC	CTION 14. A new chapter to title 15 of the North Dakota Century Code is created and
15	enacted	as follows:
16	<u>Uni</u>	versity system capital building fund - Creation - Continuing appropriation.
17	The	re is created in the state treasury the university system capital building fund. The
18	universi	ty system capital building fund consists of moneys transferred to the fund and any
19	interest	and earnings of the fund. The state board of higher education may provide for the fund
20	to be inv	vested under the supervision of the state investment board. Moneys in the fund are
21	appropri	iated to the state board of higher education on a continuing basis for allocations to the
22	<u>institutio</u>	ns under the control of the state board of higher education for capital projects as
23	directed	by the legislative assembly and in accordance with this chapter. Any interest or
24	earnings	s of the fund must be allocated to the capital building fund pool within the university
25	<u>system</u>	capital building fund.
26	<u>Cap</u>	<u>ital building funds - Uses - Reports.</u>
27	<u>Sub</u>	ject to tier II and tier III capital building fund matching requirements under this chapter,
28	each ins	stitution may use its allocation of funds from the university system capital building fund
29	<u>for proje</u>	ects specifically authorized by the legislative assembly to use university system capital
30	<u>building</u>	fund moneys. In addition, after an institution has matched and committed seventy-five
31	percent	of the funding appropriated for the institution's tier I extraordinary repairs and subject to

1 state board of higher education approval and matching requirements under this chapter, each

2 institution may use its allocation of funds from the university system capital building fund for

3 extraordinary repairs and deferred maintenance projects that do not increase the overall square

4 <u>footage of a building. The state board of higher education shall report biennially to the legislative</u>

5 management and to the appropriations committees of the legislative assembly on the use of

6 <u>funding in the university system capital building fund, the source of matching funds, and each</u>

7 institution's five-year plan for capital construction spending.

8 <u>Tier II capital building funds - Matching requirements.</u>

9 The state board of higher education may allocate tier II capital building fund moneys to an

10 institution for a project only after the institution provides one dollar of matching funds from

11 operations or other sources for each one dollar from the university system capital building fund

12 for the project. An institution may not use tier I extraordinary repairs funding, tier III capital

13 building fund moneys, or state funding appropriated for a specific capital project as matching

14 <u>funds under this section.</u>

15 <u>Tier III capital building funds - Matching requirements.</u>

16 The state board of higher education may allocate tier III capital building fund moneys to an

17 institution only after the institution provides two dollars of matching funds from operations or

18 other sources for each one dollar from the university system capital building fund for the project.

19 An institution may not use tier I extraordinary repairs funding, tier II capital building fund

20 moneys, or state funding appropriated for a specific capital project as matching funds under this

21 <u>section.</u>

22 Capital building fund pool.

23 If the state board of higher education has not allocated capital building fund moneys to an

24 institution by January first of the third biennium after the funding was appropriated or transferred

25 to the fund, the board shall reallocate the funds to a pool within the university system capital

26 <u>building fund. Any institution under the control of the state board of higher education that has</u>

27 <u>fully matched and committed its university system capital building fund allocation may apply for</u>

28 and be allocated funding from the capital building fund pool, subject to state board of higher

29 education approval and tier III capital building fund matching requirements under this chapter.

30 SECTION 15. AMENDMENT. Section 54-44.1-11 of the North Dakota Century Code is

31 amended and reenacted as follows:

1

2 When they may continue. (Effective through July 31, 20212023) 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 The purchase of land by the state on a "contract for deed" purchase if the total 4. 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, 20212023) 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 Page No. 18 21.0285.02006

54-44.1-11. Office of management and budget to cancel unexpended appropriations -

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 ca	funds carried over from one biennium to the appropriations committees of the next subsequent						
4	legislativ	ve assembly. The chairmen of the appropriations committees of the se	enate and house of					
5	represe	ntatives of the legislative assembly with the office of the budget may	continue					
6	appropr	ations or balances in force for not more than two years after the expi	ration of the					
7	biennial	period during which they became available upon recommendation of	the director of the					
8	budget f	or:						
9	1.	New construction projects.						
10	2.	Major repair or improvement projects.						
11	3.	Purchases of new equipment costing more than ten thousand dollar	rs 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	e if the total					
15		purchase price is within the authorized appropriation.						
16	5.	Purchases by the department of transportation of roadway maintena	ance equipment					
17		costing more than ten thousand dollars per unit if the equipment wa	s 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	SEC	TION 16. AMENDMENT. Section 2 of chapter 53 of the 2019 Sessio	n Laws is					
21	amende	d and reenacted as follows:						
22		SECTION 2. APPROPRIATION - CAPITAL PROJECTS - EXEMPT	ION.					
23		1. Subject to the provisions of this section, the funds provided in t	this section, or so					
24		much of the funds as may be necessary, are appropriated out	of any moneys in					
25		the general fund in the state treasury, not otherwise appropriat	ed, to the following					
26		institutions for the identified capital projects, for the period beg	inning with the					
27		effective date of this Act, and ending June 30, 2019, as follows						
28		Bismarck state college Nursing Building	\$8,900,000					
29		Dakota college at Bottineau dining hall and other projects	1,000,000					
30	Lake Region state college precision agriculture project 1,000,000							
31	North Dakota state university agriculture products 20,000,000							

1	de	evelopment center project				
2	North Dakota state university Dunbar Hall project 8,000,00					
3	University of North Dakota Gamble Hall project 9,000,00					
4	Vall	ey City state university Communications and Fine Arts	<u>2,000,000</u>			
5	В	uilding project				
6	Tota	al general fund	\$49,900,000			
7	In a	ccordance with section 54-44.1-11, any unaccepted funds from thes	e			
8	арр	ropriations may be continued into the biennium beginning July 1, 20	19, and ending			
9	Jun	e 30, 2021.				
10	2.	The appropriation for the agriculture products development center	project must			
11		be continued into the biennium beginning July 1, 2019, and ending	June 30,			
12		2021, and is available only if North Dakota state university certifies	to the			
13		industrial commission and the director of the office of management	and budget			
14		that \$20,000,000 of local and other funds has been obtained for the	e project or if			
15		North Dakota state university receives approval for a change in pro	ject scope			
16		from the legislative assembly or budget section pursuant to section	48-01.2-25 .			
17	3.	The appropriation for the Gamble Hall project must be continued in	to the			
18		biennium beginning July 1, 2019, and ending June 30, 2021, and is	available only			
19		if the university of North Dakota certifies to the industrial commission	on and the			
20		director of the office of management and budget that \$55,000,000	of local and			
21		other funds has been obtained for the project or if the university of	North Dakota			
22		receives approval for a change in project scope from the legislative	assembly or			
23		budget section pursuant to section 48-01.2-25.				
24	SECTIO	N 17. REPEAL. Subdivision d of subsection 1 of section 15-10-48 of	the North			
25	Dakota Centi	ury Code is repealed.				
26	SECTIO	N 18. REPEAL. Section 15-18.2-04 of the North Dakota Century Coc	le is repealed.			
27	SECTIO	N 19. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT	. During the			
28	period beginning with the effective date of this Act, and ending June 30, 2023, each capital					
29	project autho	rized by the state board of higher education must have adequate pro	oject			
30	management oversight by either an institution official or a representative of an external entity.					

1 An institution may seek assistance from the North Dakota university system office for project

2 management oversight of a capital project.

SECTION 20. UNIVERSITY OF NORTH DAKOTA - TECHNOLOGY ACCELERATOR
BUILDING REFINANCING. The state board of higher education, acting for and through the
university of North Dakota, may enter into a refinancing agreement with a private entity for the
technology accelerator building during the period beginning with the effective date of this Act
and ending June 30, 2023.

8 SECTION 21. TRANSFER OF DAKOTA INSTITUTE INVENTORY. Bismarck state college
 9 may transfer any rights, title, interests, copyrights, and inventory of any of the Dakota institute's
 10 publications, books, or other documents or productions, regardless of format, to the author or
 11 producer of the document or production for the period beginning with the effective date of this
 12 Act, and ending June 30, 2023.

13

SECTION 22. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT

14 **REPORT.** Notwithstanding section 54-16-04, the office of management and budget shall 15 transfer appropriation authority from the operations to the capital assets line items within 16 subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher 17 education for the biennium beginning July 1, 2021, and ending June 30, 2023. The board shall 18 report any transfer of funds under this section to the legislative management.

19 SECTION 23. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.

Notwithstanding any other provisions of law, the state board of higher education may adjust fulltime equivalent positions as needed, subject to the availability of funds, for institutions and
entities under its control during the biennium beginning July 1, 2021, and ending June 30, 2023.
The North Dakota university system shall report any adjustments to the office of management

24 and budget as part of the submission of the 2023-25 biennium budget request.

SECTION 24. EXEMPTION - PROJECT AUTHORIZATIONS. Any unexpended amounts
remaining from the \$49,900,000 appropriated from the general fund for capital projects at
institutions under the control of the state board of higher education in section 2 of chapter 53 of
the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from
the appropriations are available to the respective institutions to complete the projects during the
biennium beginning July 1, 2021, and ending June 30, 2023.

1	SECTION 25. LEGISLATIVE MANAGEMENT STUDY - STUDENT AFFORDABILITY.	
2	During the 2021-22 interim, the legislative management shall study higher education student	
3	affordability, including all forms of financial assistance available for students enrolled at	
4	institutions of higher education in the state. The study must include a review of available	
5	scholarships, student loan programs, waivers, grants, and any other forms of student finan	
6	assistance available for students enrolled at institutions of higher education in the state. Th	
7	study must also include a review of the eligibility requirements and other criteria relating to ea	
8	program, and their impact on the financial cost and utilization of each program. The legislative	
9	management shall report its findings and recommendations, together with any legislation	
10	required to implement the recommendations, to the sixty-eighth legislative assembly.	
11	SECTION 26. LEGISLATIVE MANAGEMENT STUDY - HIGHER EDUCATION FUNDING	
12	STABILIZATION. During the 2021-22 interim, the legislative management shall consider	
13	studying higher education funding mechanisms, including private-public partnerships and	
14	distributions from permanent funds. The study must include potential mechanisms to stabilize	
15	funding for higher education, including funding mechanisms used in other states. The legislative	
16	management shall report its findings and recommendations, together with any legislation	
17	required to implement the recommendations, to the sixty-eighth legislative assembly.	
18	SECTION 27. STATE BOARD OF HIGHER EDUCATIONLEGISLATIVE MANAGEMENT	
19	<u>STUDY</u> - STUDY OF THE HIGHER EDUCATION FUNDING FORMULA - REPORT TO	
20	LEGISLATIVE MANAGEMENT. During the period beginning July 1, 2021, and ending June 30	
21	20222021-22 interim, the state board of higher educationlegislative management shall	
22	studyconsider studying the higher education funding formula, including instructional program	
23	classification factors. The state board of higher education shall provide a report to the legislative	
24	management regarding any findings or recommended changes to the funding formula by	
25	June 30, 2022 The legislative management shall report its findings and recommendations,	
26	together with any legislation required to implement the recommendations, to the sixty-eighth	
27	legislative assembly.	
28	SECTION 28. LEGISLATIVE INTENT - UNIVERSITY OF NORTH DAKOTA - NURSING	
28 29	SECTION 28. LEGISLATIVE INTENT - UNIVERSITY OF NORTH DAKOTA - NURSING EDUCATION CONSORTIUM. It is the intent of the sixty-seventh legislative assembly that the	
I		

1	SECTION 29. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL		
2	PROGRAM CLASSIFICATION FACTORS. It is the intent of the sixty-seventh legislative		
3	assembly that:		
4	1.	Veterinary medicine courses remain under the health sciences instructional program	
5		classification within the higher education funding formula;	
6	2.	Computer and information sciences and support services courses be transferred to the	
7		engineering instructional program classification within the higher education funding	
8		formula; and	
9	3.	Lineworker; plumbing; powersports technology; heating, ventilating, air conditioning,	
10		and refrigeration technology; diesel technology; mechanical systems; and machine	
11		tooling courses be placed in an upper division under the career and technical	
12		education instructional program classification within the higher education funding	
13	L	formula.	
14	SECTION 30. EMERGENCY. Sections 3, 4, 7, 8, 9, 10, 16, 18, 20, and 21 3, 6, 7, 8, 14, 16,		
15	19, 20, and 21 of this Act and the capital assets line items in section 1 of this Act are declared to		
16	be an emergency measure.		