

**2023 HOUSE APPROPRIATIONS**

**HB 1034**

# 2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division  
Prairie Room, State Capitol

**HB1034**  
**1/16/2023**

<p><b>A BILL for an Act to amend and reenact sections 15-10-63 and 15-54.1-02 of the North Dakota Century Code, relating to capital projects and the use of the university system capital building fund; and to provide a transfer.</b></p>
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**10:00 AM Vice Chairman Swiontek** opened the meeting

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

**Discussion Topics:**

- The 3 -Tier Capital Building Fund and possible modifications
- Facility repairs
- Possible change in tiers

**Representative Sanford** testified in favor of HB 1034, testimony #13497

**David Krebsbach, Vice Chancellor of Administrative Affairs NDUS** spoke in favor of HB 1034, testimony #13390

**Bruce Bollinger**, Vice President of Finance and Administration spoke in favor of HB 1034, testimony #13309

**10:17 AM Vice President Swiontek** recessed the meeting

**10:59 AM Chairman Nathe** opened meeting

**Bruce Bollinger, Vice President Finance and Administration NDSU** – spoke in favor of HB 1034

**11:59 AM Chairman Nathe** adjourned the meeting

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division  
Prairie Room, State Capitol

HB 1034  
1/16/2023

<b>A BILL for an Act to amend and reenact sections 15-10-63 and 15-54.1-02 of the North Dakota Century Code, relating to capital projects and the use of the university system capital building fund; and to provide a transfer.</b>
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**3:29 PM Chairman Nathe** opened the discussion

Members present: Chairman Nathe, Vice Chairman Swiontek, Representatives; Martinson, Richter, Sanford, Schatz, Hanson.

### Discussion Topics:

- Percentages of matching funds
- Student housing in bill

**Representative Hanson** moved to change 10% matching funds to 5%.

**Representative Schatz** seconded.

Voice Vote: Motion carried.

**Representative Swiontek** moved to change bill to allow student housing to be funded.

Rep. Hanson seconded. Roll call vote was taken.

<b>Representatives</b>	<b>Vote</b>
Representative Mike Nathe	Y
Representative Steve Swiontek	Y
Representative Karla Rose Hanson	Y
Representative Bob Martinson	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	N

Motion carried 6-1-0.

**Representative Martinson** moved to reconsider their action on HB1034.

**Representative Richter** seconded the motion.

Voice vote, and the motion carried.

**3:33 PM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Education and Environment Division  
Prairie Room, State Capitol

HB 1034  
2/14/2023

<b>A BILL for an Act to amend and reenact sections 15-10-63 and 15-54.1-02 of the North Dakota Century Code, relating to capital projects and the use of the university system capital building fund; and to provide a transfer.</b>
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**10:20 AM Chairman Nathe** opened the meeting.

Members present: Chairman Nathe, Vice Chairman Swiontek,  
Representatives: Martinson, Richter, Sanford, Schatz, Hanson.

## Discussion Topics:

- Committee action

**Representative Martinson** moved a do not pass on HB 1034.

**Representative Richter** seconded.

## Roll Call Vote:

Representatives	Vote
Representative Mike Nathe	Y
Representative Steve Swiontek	Y
Representative Karla Rose Hanson	Y
Representative Bob Martinson	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y

**7-0-0 Motion carries. Representative Sanford will carry the bill.**

**10:21 AM Chairman Nathe** adjourned the meeting.

*Donna Lynn Knutson, Committee Clerk*

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Appropriations Committee Brynhild Haugland Room, State Capitol

HB 1034  
2/15/2023

Relating to capital projects and the use of the university system capital building fund; and to provide a transfer
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**7:19 PM Chairman Vigesaa-** Meeting was called to order and roll call was taken:

**All Members present;** Chairman Vigesaa, Representative Kempenich, Representative B. Anderson, Representative Bellew, Representative Brandenburg, Representative Hanson, Representative Kreidt, Representative Martinson, Representative Mitskog, Representative Meier, Representative Mock, Representative Monson, Representative Nathe, Representative J. Nelson, Representative O'Brien, Representative Pyle, Representative Richter, Representative Sanford, Representative Schatz, Representative Schobinger, Representative Strinden, Representative G. Stemen and Representative Swiontek.

### Discussion Topics:

- Will be in Higher Education Budget

**Representative Nathe** – Explains that this bill will be added into the higher education budget so there is no need for this bill.

**Representative Nathe** Move for a Do Not Pass

**Representative Kempenich** Seconds the motion.

Committee discussion- Roll call vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Larry Bellew	Y
Representative Mike Brandenburg	Y
Representative Karla Rose Hanson	Y
Representative Gary Kreidt	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative Corey Mock	Y
Representative David Monson	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y

Representative Emily O'Brien	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Mike Schatz	Y
Representative Randy A. Schobinger	Y
Representative Greg Stemen	Y
Representative Michelle Strinden	Y
Representative Steve Swiontek	Y

**Motion Carries 23-0-0 Representative Sanford will carry the bill.**

**7:21 PM Chairman Vigesaa** Closed the meeting for HB 1034

*Risa Berube, Committee Clerk*

**REPORT OF STANDING COMMITTEE**

**HB 1034: Appropriations Committee (Rep. Vigesaa, Chairman)** recommends **DO NOT PASS** (23 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1034 was placed on the Eleventh order on the calendar.

**TESTIMONY**

**HB 1034**



## North Dakota State University

### HB 1034

House Appropriations Education and Environment Committee

January 16, 2023

Bruce Bollinger, Vice President of Finance and Administration,  
701.231.8211 [Bruce.Bollinger@ndsu.edu](mailto:Bruce.Bollinger@ndsu.edu)

Chair Nathe and members of the House Appropriations Education and Environment Committee. My name is Bruce Bollinger and I serve as the Vice President for Finance and Administration at North Dakota State University. I am here today on behalf of North Dakota State University to provide testimony in support of HB1040 and for you to consider a request for one amendment.

Section 2 defines the uses of the capital building funds. Institutions may use their allocation of capital building funds for projects authorized by the legislative assembly and extra-ordinary repair and deferred maintenance projects for **academic facilities** that do not increase the overall square footage of a building. This section also requires a biennial report by the State Board of Higher Education to legislative management and to the appropriations committee on the use of the funding, source of matching funds and each institution five-year capital construction spending. **NDSU requests an amendment to the bill to expand the allowable uses to include all facility projects which is what the current language allows. Then NDSU will be able to maintain using the funds for residence life projects and other auxiliary facilities.**

This concludes my testimony. I will stand for questions from Committee members.



## HB1034

House Appropriations Education and Environment Committee

January 16, 2023

David Krebsbach, Vice Chancellor of Administrative Affairs and CFO, NDUS  
701.328.4116 | david.krebsbach@ndus.edu

Chair Nathe and members of the House Appropriations Education and Environment Committee. My name is David Krebsbach, and I serve as the Vice Chancellor of Administrative Affairs & Chief Financial Officer for the North Dakota University System (NDUS). I am here today on behalf of the North Dakota University System and its eleven institutions to provide testimony in support of HB1040 and offer a request for one amendment.

The North Dakota University System institutions are supportive of the Capital Building funds provided by the legislature over the past biennia. Utilizing these funds, the institutions have completed many capital and deferred maintenance projects that reflect very positively at each of the institutions.

**Section 1** of HB1034 requires NDUS institutions to utilize other funds from gifts, grants, donations, the university system capital building fund, or other local funds for a specified percentage of capital project requests. Requires renovation projects reduce the deferred maintenance amount of the facility by no less than seventy five percent of the renovation and requires construction and renovation projects to conform to campus master plans.

**Section 2** defines the uses of the capital building funds. Institutions may use their allocation of capital building funds for projects authorized by the legislative assembly and extraordinary repair and deferred maintenance projects for academic facilities that do not increase the overall square footage of a building. This section also requires a biennial report by the State Board of Higher Education to legislative management and to the appropriations committee on the use of the funding, source of matching funds and each institutions five-year capital construction spending.

**The North Dakota University System requests an amendment to the bill to expand the allowable uses by removing the reference to “academic facilities.” This would allow the institutions to utilize these funds for residence life and other auxiliary facility projects.**

**Section 3** provides a transfer of \$29 million in funding from the strategic investment and improvements fund to the university system capital building fund for the 2023-25 biennium and provides specific institution allocations for tier II and tier III.



**Section 4** specifies extraordinary repair matching requirements of one dollar matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project for all institutions except the university of North Dakota and North Dakota state university, which are required to provide two dollars of matching funds for each one dollar of extraordinary repairs funding used for a project. **The North Dakota University System requests an amendment to the bill to allow the university of North Dakota and North Dakota State University a matching requirement of one dollar for each one dollar of extraordinary repairs funding.**

This concludes my testimony. I will stand for questions from Committee members.

# 3-Tier Capital Building Fund Program

SB2003, Section 6 - Capital Building Fund										
Tier I 2:1 match; Tier II 1:1 match; Tier III 2:1 match										
Total Capital Fund = \$80.3 million										
Tier I - Extraordinary Repairs				Tier II - Capital Building Fund			Tier III - Capital Building Fund			Totals
Institution	Base Funding Formula allocated to Extraordinary Repairs (General Funds)	2 for 1 Institution Match (Special Funds)	Tier I Appropriation & Required Match	Capital Building Fund (\$10M SIF)	Institution Match at 1 to 1 (Special Funds)	Tier II Totals	Capital Building Fund (\$9M SIF)	2 for 1 Match	Tier III Totals	
BSC	417,673	835,346	1,253,019	425,693	425,693	851,386	500,000	1,000,000	1,500,000	3,604,405
DCB	114,007	228,014	342,021	106,064	106,064	212,128	500,000	1,000,000	1,500,000	2,054,149
LRSC	155,367	310,734	466,101	177,375	177,375	354,750	500,000	1,000,000	1,500,000	2,320,851
NDSCS	1,012,379	2,024,758	3,037,137	500,695	500,695	1,001,390	500,000	1,000,000	1,500,000	5,538,527
WSC	197,801	395,602	593,403	137,947	137,947	275,894	500,000	1,000,000	1,500,000	2,369,297
DSU	409,078	818,156	1,227,234	268,862	268,862	537,724	500,000	1,000,000	1,500,000	3,264,958
MASU	358,992	717,984	1,076,976	240,029	240,029	480,058	500,000	1,000,000	1,500,000	3,057,034
MISU	899,620	1,799,240	2,698,860	572,801	572,801	1,145,602	500,000	1,000,000	1,500,000	5,344,462
VCSU	408,319	816,638	1,224,957	309,137	309,137	618,274	500,000	1,000,000	1,500,000	3,343,231
NDSU	2,732,244	5,464,488	8,196,732	2,899,596	2,899,596	5,799,192	2,250,000	4,500,000	6,750,000	20,745,924
UND	4,411,566	8,823,132	13,234,698	4,361,801	4,361,801	8,723,602	2,250,000	4,500,000	6,750,000	28,708,300
<b>TOTAL</b>	<b>11,117,046</b>	<b>22,234,092</b>	<b>33,351,138</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>20,000,000</b>	<b>9,000,000</b>	<b>18,000,000</b>	<b>27,000,000</b>	<b>80,351,138</b>