

Fifty-sixth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1003

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota
2 university system.

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

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
5 funds as may be necessary, are hereby appropriated out of any moneys in the general fund in
6 the state treasury, not otherwise appropriated, and from special funds derived from federal
7 funds or other income, to the North Dakota university system and to the various institutions of
8 higher learning under the supervision of the North Dakota university system for the purpose of
9 defraying their expenses, for the biennium beginning July 1, 1999, and ending June 30, 2001,
10 as follows:

11 Subdivision 1.

12 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

| | |
|--|-------------|
| 13 Salaries and wages | \$2,153,175 |
| 14 Operating expenses | 706,382 |
| 15 Equipment | 26,000 |
| 16 Student financial assistance grants | 4,459,004 |
| 17 Information technology management | 216,337 |
| 18 Professional student exchange program | 1,317,303 |
| 19 Disabled student services | 26,693 |
| 20 Technical administration | 198,620 |
| 21 Contingency and capital improvements emergency fund | 400,000 |
| 22 Scholars program | 708,847 |
| 23 Native American scholarships | 205,108 |
| 24 Title II | 534,000 |

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| 1 | Competitive research program | 1,780,000 |
| 2 | Prairie public broadcasting | 997,500 |
| 3 | Board initiatives | 2,300,000 |
| 4 | Critical salary pool | <u>2,685,227</u> |
| 5 | Total all funds | \$18,714,196 |
| 6 | Less estimated income | <u>4,933,900</u> |
| 7 | General fund appropriation | \$13,780,296 |

9 BISMARCK STATE COLLEGE

19 Subdivision 3.

30 Subdivision 4.

98003.0300

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|---|-------------------------------|------------------|
| 1 | Salaries and wages | \$5,340,833 |
| 2 | Operating expenses | 1,540,892 |
| 3 | Equipment | 249,596 |
| 4 | Capital improvements | <u>88,790</u> |
| 5 | Total operating funds | \$7,220,111 |
| 6 | Less estimated income | <u>2,300,265</u> |
| 7 | General fund appropriation | \$4,919,846 |
| 8 | Local funds appropriation | \$1,653,000 |
| 9 | Total all funds appropriation | \$8,873,111 |

10 Subdivision 5.

11 UNIVERSITY OF NORTH DAKOTA

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|----|-------------------------------|-------------------|
| 12 | Salaries and wages | \$104,142,630 |
| 13 | Operating expenses | 32,675,751 |
| 14 | Equipment | 2,247,960 |
| 15 | Capital improvements | 4,762,305 |
| 16 | Interactive video network | 2,108,224 |
| 17 | Special initiatives pool | 1,462,223 |
| 18 | ODIN | <u>575,209</u> |
| 19 | Total operating funds | \$147,974,302 |
| 20 | Less estimated income | <u>52,492,071</u> |
| 21 | General fund appropriation | \$95,482,231 |
| 22 | Local funds appropriation | \$282,733,609 |
| 23 | Total all funds appropriation | \$430,707,911 |

24 Subdivision 6.

25 NORTH DAKOTA STATE UNIVERSITY

| | | |
|----|------------------------|------------------|
| 26 | Salaries and wages | \$91,656,749 |
| 27 | Operating expenses | 25,930,527 |
| 28 | Equipment | 1,998,800 |
| 29 | Capital improvements | 8,557,362 |
| 30 | Skills training center | <u>1,287,500</u> |
| 31 | Total operating funds | \$129,430,938 |

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| 1 | Less estimated income | <u>55,698,140</u> |
| 2 | General fund appropriation | \$73,732,798 |
| 3 | Local funds appropriation | \$111,620,179 |
| 4 | Total all funds appropriation | \$241,051,117 |

5 Subdivision 7.

6 NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | | |
|----|-------------------------------|------------------|
| 7 | Salaries and wages | \$23,996,556 |
| 8 | Operating expenses | 6,607,727 |
| 9 | Equipment | 1,494,368 |
| 10 | Capital improvements | <u>635,885</u> |
| 11 | Total operating funds | \$32,734,536 |
| 12 | Less estimated income | <u>9,402,742</u> |
| 13 | General fund appropriation | \$23,331,794 |
| 14 | Local funds appropriation | \$15,580,000 |
| 15 | Total all funds appropriation | \$48,314,536 |

16 Subdivision 8.

17 DICKINSON STATE UNIVERSITY

| | | |
|----|-------------------------------|------------------|
| 18 | Salaries and wages | \$14,236,142 |
| 19 | Operating expenses | 4,074,962 |
| 20 | Equipment | 390,000 |
| 21 | Capital improvements | <u>693,962</u> |
| 22 | Total operating funds | \$19,395,066 |
| 23 | Less estimated income | <u>6,140,726</u> |
| 24 | General fund appropriation | \$13,254,340 |
| 25 | Local funds appropriation | \$8,221,397 |
| 26 | Total all funds appropriation | \$27,616,463 |

27 Subdivision 9.

28 MAYVILLE STATE UNIVERSITY

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| 29 | Salaries and wages | \$8,249,062 |
| 30 | Operating expenses | 2,212,188 |
| 31 | Equipment | 170,500 |

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| 1 | Capital improvements | <u>931,671</u> |
| 2 | Total operating funds | \$11,563,421 |
| 3 | Less estimated income | <u>2,878,227</u> |
| 4 | General fund appropriation | \$8,685,194 |
| 5 | Local funds appropriation | \$7,400,000 |
| 6 | Total all funds appropriation | \$18,963,421 |

7 Subdivision 10.

8 MINOT STATE UNIVERSITY

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|----|-------------------------------|-------------------|
| 9 | Salaries and wages | \$29,085,334 |
| 10 | Operating expenses | 6,043,525 |
| 11 | Equipment | 917,929 |
| 12 | Capital improvements | <u>1,050,466</u> |
| 13 | Total operating funds | \$37,097,254 |
| 14 | Less estimated income | <u>11,496,001</u> |
| 15 | General fund appropriation | \$25,601,253 |
| 16 | Local funds appropriation | \$19,003,936 |
| 17 | Total all funds appropriation | \$56,101,190 |

18 Subdivision 11.

19 VALLEY CITY STATE UNIVERSITY

| | | |
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| 20 | Salaries and wages | \$11,151,577 |
| 21 | Operating expenses | 2,840,317 |
| 22 | Equipment | 323,100 |
| 23 | Capital improvements | 812,334 |
| 24 | Center for innovation in instruction | 303,403 |
| 25 | Special initiatives | <u>69,795</u> |
| 26 | Total operating funds | \$15,500,526 |
| 27 | Less estimated income | <u>3,866,587</u> |
| 28 | General fund appropriation | \$11,633,939 |
| 29 | Local funds appropriation | \$8,820,000 |
| 30 | Total all funds appropriation | \$24,320,526 |

31 Subdivision 12.

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| 1 | MINOT STATE UNIVERSITY - BOTTINEAU | |
| 2 | Salaries and wages | \$4,089,733 |
| 3 | Operating expenses | 1,117,998 |
| 4 | Equipment | 178,350 |
| 5 | Capital improvements | <u>253,130</u> |
| 6 | Total operating funds | \$5,639,211 |
| 7 | Less estimated income | <u>1,447,102</u> |
| 8 | General fund appropriation | \$4,192,109 |
| 9 | Local funds appropriation | \$2,124,426 |
| 10 | Total all funds appropriation | \$7,763,637 |
| 11 | Subdivision 13. | |
| 12 | NORTH DAKOTA FOREST SERVICE | |
| 13 | Salaries and wages | \$1,770,118 |
| 14 | Operating expenses | 423,601 |
| 15 | Equipment | 65,011 |
| 16 | Capital improvements | 79,541 |
| 17 | Grants to centennial trees | <u>147,486</u> |
| 18 | Total operating funds | \$2,485,757 |
| 19 | Less estimated income | <u>859,006</u> |
| 20 | General fund appropriation | \$1,626,751 |
| 21 | Local funds appropriation | \$1,336,082 |
| 22 | Total all funds appropriation | \$3,821,839 |
| 23 | Subdivision 14. | |
| 24 | UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER | |
| 25 | Salaries and wages | \$67,126,248 |
| 26 | Operating expenses | 17,984,278 |
| 27 | Equipment | <u>2,932,115</u> |
| 28 | Total all funds | \$88,042,641 |
| 29 | Less estimated income | <u>58,926,430</u> |
| 30 | General fund appropriation | \$29,116,211 |
| 31 | Grand total general fund appropriation H.B. 1003 | \$325,403,767 |

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| 1 | Grand total estimated income appropriation H.B. 1003 | \$220,179,779 |
| 2 | Grand total local funds appropriation | \$476,266,395 |
| 3 | Grand total all funds appropriation | \$1,021,849,941 |

4 **SECTION 2. APPROPRIATION TRANSFER.** The higher education contingency and
5 capital improvements emergency fund, critical salary pool, and disabled student services in
6 subdivision 1 of section 1 must be used for the benefit of the institutions and entities in
7 subdivisions 1 through 14 of section 1 as determined by the state board of higher education.
8 The board shall notify the office of management and budget of the allocation of general fund
9 authority from the higher education contingency and capital improvements emergency fund,
10 critical salary pool, and disabled student services to the various entities and institutions and
11 which line items in the various institutions and entities must be adjusted.

12 **SECTION 3. ADDITIONAL INCOME - APPROPRIATION.** Operating fund income
13 received in excess of the estimated income line item appropriated to the entities in section 1 of
14 this Act which is deposited in their respective operating funds in the state treasury up to the
15 following amounts is hereby appropriated and may be spent subject to state board of higher
16 education approval:

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| 17 | INSTITUTION | AMOUNT |
| 18 | North Dakota university system office | \$425,990 |
| 19 | Bismarck state college | 706,289 |
| 20 | University of North Dakota - Lake Region | 143,970 |
| 21 | University of North Dakota - Williston | 224,310 |
| 22 | University of North Dakota | 5,019,907 |
| 23 | North Dakota state university | 4,732,776 |
| 24 | North Dakota state college of science | 846,333 |
| 25 | Dickinson state university | 602,255 |
| 26 | Mayville state university | 267,347 |
| 27 | Minot state university | 1,157,210 |
| 28 | Valley City state university | 355,978 |
| 29 | Minot state university - Bottineau | 131,711 |
| 30 | North Dakota forest service | 85,900 |

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| 1 | University of North Dakota medical center | <u>5,947,201</u> |
| 2 | Total | \$20,647,177 |

3 Any additional excess estimated income is hereby appropriated and may be spent only upon
4 authorization of the emergency commission. Any funds received by the board of higher
5 education and the entities of the North Dakota university system pursuant to federal acts,
6 private grants, and other sources not deposited in the operating funds in the state treasury are
7 hereby appropriated for the period beginning July 1, 1999, and ending June 30, 2001.

8 **SECTION 4. TRANSFER AUTHORITY.** The state board of higher education is
9 authorized to approve transfer of funds between line items for each entity included in section 1
10 of this Act and shall notify the office of management and budget of each transfer.

11 **SECTION 5. EXEMPTION.** The scholars program, university system contingency fund,
12 student financial assistance grants, professional student exchange program appropriations,
13 native American scholarships, and operating expenses contained in subdivision 1 of section 1
14 of chapter 3 of the 1997 Session Laws are not subject to the provisions of section 54-44.1-11
15 and any unexpended funds from these appropriations are available during the biennium
16 beginning July 1, 1999, and ending June 30, 2001.

17 **SECTION 6. LEGISLATIVE INTENT - FULL-TIME EQUIVALENTS.** The state board
18 of higher education is authorized to adjust or increase full-time equivalent positions as needed,
19 subject to availability of funds. The university system shall report any adjustments to the office
20 of management and budget prior to the submission of the 2001-03 budget request.

21 **SECTION 7. UNEXPENDED GENERAL FUNDS - EXCESS INCOME.** Unexpended
22 general funds appropriated to and excess income received by entities listed in section 1 of
23 chapter 32 of the 1997 Session Laws are not subject to the provisions of section 54-44.1-11
24 and any unexpended funds from these appropriations or revenues are available during the
25 biennium beginning July 1, 1999, and ending June 30, 2001, and may be expended, as
26 directed by the state board of higher education, for capital repairs and improvements,
27 equipment, and other one-time expenditures.

28 **SECTION 8. SALARY POOL.** The salary pool in subdivision 1 of section 1 must be
29 used as determined by the state board of higher education for the benefit of the institutions and
30 entities under the jurisdiction of the board. The state board is authorized to approve the

transfer of funds to the entities in subdivisions 1 through 14 of section 1 of this Act and shall notify the office of management and budget within ten days.

SECTION 9. PROJECT AUTHORIZATIONS - LOCAL RESPONSIBILITY. The capital improvements at Bismarck state college and UND-Lake Region require a minimum local match as follows:

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| Bismarck state college - music addition | \$200,000 |
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| UND-Lake Region - auditorium renovation | \$495,000 |
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Bismarck state college may, after receiving approval from the budget section, obtain and utilize any available funds received from federal, public, private, or other sources which are hereby appropriated to Bismarck state college to assist in the music addition and related renovations at Bismarck state college.

UND-Lake Region may, after receiving approval from the budget section, obtain and utilize any available funds received from federal, public, private, or other sources which are hereby appropriated to UND-Lake Region to assist in the auditorium renovation at UND-Lake Region.

SECTION 10. TRANSFER AUTHORITY. The North Dakota university system is authorized to approve the transfer of funds between the university of North Dakota and North Dakota state university that are included for the operation of the higher education computer network, the interactive video network, and the on-line Dakota information network based upon the technology priorities of the system.

SECTION 11. BOND ISSUANCE - PURPOSES. The state board of higher education, in accordance with chapter 15-55, may issue and sell self-liquidating, tax-exempt bonds in an amount not exceeding \$4,750,000 for the purpose of financing capital projects at institutions under the control of the board, including an amount not exceeding \$250,000 for student union improvements at Bismarck state college and \$4,500,000 for a health and wellness center at North Dakota state university. Bonds issued under the provisions of this Act may not become a general obligation of the state of North Dakota.

SECTION 12. USE OF PROCEEDS - APPROPRIATION. The proceeds resulting from the sale of bonds authorized under section 11, or so much of the sum as may be necessary, in the amount of \$250,000 for the student union improvements at Bismarck state college and \$4,500,000 for a health and wellness center at North Dakota state university and other

1 available funds from other sources are hereby appropriated for these projects. Any
2 unexpended balance from the sale of bonds must be placed in a sinking fund for the retirement
3 of the authorized bonds.

4 **SECTION 13. LOCAL FUNDS APPROPRIATED.** Any local funds beyond the local
5 funds appropriated in Section 1 of this Act are hereby appropriated for the biennium beginning
6 July 1, 1999, and ending June 30, 2001, and may be spent subject to approval of the state
7 board of higher education and reported to the budget section of the legislative council.

8 **SECTION 14. HALLWAY PROJECT - SCHAFER HALL.** Bismarck state college shall
9 complete the renovation of the hallway project in Schafer hall out of the funding provided to
10 Bismarck state college in subdivision 2 of section 1 of this Act."

11 **SECTION 15. SERVICE, ACCESS, GROWTH, AND EMPOWERMENT.** Prior to
12 purchasing goods or contracting for services for the service, access, growth, and empowerment
13 project, the state board of higher education must receive permission from either the legislative
14 assembly or the budget section of the legislative council. Information provided must include a
15 business plan project.