

**FIRST ENGROSSMENT  
with Senate Amendments**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; to create and enact a new chapter to title 15 of the North Dakota Century  
3 Code, relating to the adoption of the midwestern regional higher education compact; and to  
4 declare an emergency.

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

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

13 Subdivision 1.

14 NORTH DAKOTA UNIVERSITY SYSTEM

15 Salaries and wages	\$342,117,813
16 Technology	21,948,467
17 Restoration pool	<u>1,178,000</u>
18 Total salaries, wages, technology, and restoration	\$365,244,280

19 Estimated income:

20 Bismarck state college	\$7,339,776
21 University of North Dakota - Lake Region	1,453,806
22 University of North Dakota - Williston	2,300,265
23 University of North Dakota	52,633,093
24 North Dakota state university	48,866,414

Fifty-sixth  
Legislative Assembly

1	North Dakota state college of science	9,485,836	
2	Dickinson state university	6,146,576	
3	Mayville state university	2,908,718	
4	Minot state university	11,501,851	
5	Valley City state university	3,893,786	
6	Minot state university - Bottineau	1,364,817	
7	University of North Dakota medical center	10,812,782	
8	Forest service	<u>663,040</u>	
9	Less institutional estimated income		<u>159,370,760</u>
10	General fund appropriation		\$205,873,520
11	Subdivision 2.		
12	NORTH DAKOTA UNIVERSITY SYSTEM OFFICE		
13	Operating expenses		\$760,709
14	Equipment		26,000
15	Student financial assistance grants		4,450,281
16	Information technology management		215,255
17	Professional student exchange program		1,310,716
18	Disabled student services		26,560
19	Technical administration		197,627
20	Contingency and capital improvements emergency fund		398,000
21	Scholars program		706,230
22	Native American scholarships		204,082
23	Title II		534,000
24	Competitive research program		1,971,100
25	Prairie public broadcasting		992,513
26	Board initiatives		<u>2,296,000</u>
27	Total operating funds		\$14,089,073
28	Less estimated income		<u>4,933,900</u>
29	General fund appropriation		\$9,155,173
30	Subdivision 3.		
31	BISMARCK STATE COLLEGE		

Fifty-sixth  
Legislative Assembly

1	Operating expenses	\$4,893,212
2	Equipment	367,187
3	Capital improvements	<u>958,835</u>
4	Total operating funds	\$6,219,234
5	Less estimated income	<u>450,000</u>
6	General fund appropriation	\$5,769,234
7	Local funds appropriation	\$11,370,000
8	Total all funds appropriation	\$17,589,234

9           Subdivision 4.

10                           UNIVERSITY OF NORTH DAKOTA - LAKE REGION

11	Operating expenses	\$1,338,042
12	Equipment	150,338
13	Capital improvements	<u>1,094,318</u>
14	Total operating funds	\$2,582,698
15	Less estimated income	<u>495,000</u>
16	General fund appropriation	\$2,087,698
17	Local funds appropriation	\$6,403,766
18	Total all funds appropriation	\$8,986,464

19           Subdivision 5.

20                           UNIVERSITY OF NORTH DAKOTA - WILLISTON

21	Operating expenses	\$1,521,116
22	Equipment	249,596
23	Capital improvements	<u>88,790</u>
24	Total operating funds	\$1,859,502
25	Less estimated income	<hr/>
26	General fund appropriation	\$1,859,502
27	Local funds appropriation	\$1,653,000
28	Total all funds appropriation	\$3,512,502

29           Subdivision 6.

30                           UNIVERSITY OF NORTH DAKOTA

Fifty-sixth  
Legislative Assembly

1	Operating expenses	\$27,655,286
2	Equipment	1,520,260
3	Capital improvements	4,917,136
4	Special initiatives pool	<u>1,462,223</u>
5	Total operating funds	\$35,554,905
6	Less estimated income	<hr/>
7	General fund appropriation	\$35,554,905
8	Local funds appropriation	\$282,733,609
9	Total all funds appropriation	\$318,288,514

10 Subdivision 7.

11 NORTH DAKOTA STATE UNIVERSITY

12	Operating expenses	\$21,576,515
13	Equipment	1,867,800
14	Capital improvements	8,652,531
15	Skills training center	<u>1,535,000</u>
16	Total operating funds	\$33,631,846
17	Less estimated income	<u>7,037,500</u>
18	General fund appropriation	\$26,594,346
19	Local funds appropriation	\$111,620,179
20	Total all funds appropriation	\$145,252,025

21 Subdivision 8.

22 NORTH DAKOTA STATE COLLEGE OF SCIENCE

23	Operating expenses	\$6,605,363
24	Equipment	1,494,368
25	Capital improvements	<u>635,885</u>
26	Total operating funds	\$8,735,616
27	Less estimated income	<hr/>
28	General fund appropriation	\$8,735,616
29	Local funds appropriation	\$15,580,000
30	Total all funds appropriation	\$24,315,616

31 Subdivision 9.

Fifty-sixth  
Legislative Assembly

1	DICKINSON STATE UNIVERSITY	
2	Operating expenses	\$4,074,962
3	Equipment	390,000
4	Capital improvements	<u>693,962</u>
5	Total operating funds	\$5,158,924
6	Less estimated income	<hr/>
7	General fund appropriation	\$5,158,924
8	Local funds appropriation	\$8,221,397
9	Total all funds appropriation	\$13,380,321

10 Subdivision 10.

11	MAYVILLE STATE UNIVERSITY	
12	Operating expenses	\$2,211,150
13	Equipment	170,500
14	Capital improvements	<u>931,671</u>
15	Total operating funds	\$3,313,321
16	Less estimated income	<hr/>
17	General fund appropriation	\$3,313,321
18	Local funds appropriation	\$7,400,000
19	Total all funds appropriation	\$10,713,321

20 Subdivision 11.

21	MINOT STATE UNIVERSITY	
22	Operating expenses	\$6,043,525
23	Equipment	917,929
24	Capital improvements	<u>1,050,466</u>
25	Total operating funds	\$8,011,920
26	Less estimated income	<hr/>
27	General fund appropriation	\$8,011,920
28	Local funds appropriation	\$19,003,936
29	Total all funds appropriation	\$27,015,856

30 Subdivision 12.

31 VALLEY CITY STATE UNIVERSITY

Fifty-sixth  
Legislative Assembly

1	Operating expenses	\$2,842,167
2	Equipment	323,100
3	Capital improvements	812,334
4	Center for innovation in instruction	299,583
5	Special initiatives	<u>68,714</u>
6	Total operating funds	\$4,345,898
7	Less estimated income	
8	General fund appropriation	\$4,345,898
9	Local funds appropriation	\$8,820,000
10	Total all funds appropriation	\$13,165,898

11 Subdivision 13.

12 MINOT STATE UNIVERSITY - BOTTINEAU

13	Operating expenses	\$1,063,035
14	Equipment	147,500
15	Capital improvements	<u>218,130</u>
16	Total operating funds	\$1,428,665
17	Less estimated income	<u>60,000</u>
18	General fund appropriation	\$1,368,665
19	Local funds appropriation	\$2,124,426
20	Total all funds appropriation	\$3,553,091

21 Subdivision 14.

22 NORTH DAKOTA FOREST SERVICE

23	Operating expenses	\$423,601
24	Equipment	65,011
25	Capital improvements	79,541
26	Grants to centennial trees	<u>147,486</u>
27	Total operating funds	\$715,639
28	Less estimated income	<u>195,966</u>
29	General fund appropriation	\$519,673
30	Local funds appropriation	\$1,336,082
31	Total all funds appropriation	\$2,051,721

1           Subdivision 15.

2                           UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER

3	Operating expenses	\$7,502,327
4	Equipment	<u>547,915</u>
5	Total operating funds	\$8,050,242
6	Less estimated income	<u>                    </u>
7	General fund appropriation	\$8,050,242
8	Local funds appropriation	\$47,592,145
9	Total all funds appropriation	\$55,642,387
10	Grand total general fund appropriation H.B. 1003	\$326,398,637
11	Grand total estimated income appropriation H.B. 1003	\$172,543,126
12	Grand total local funds appropriation H.B. 1003	\$523,858,540
13	Grand total all funds appropriation H.B. 1003	\$1,022,800,303

14           **SECTION 2. APPROPRIATION TRANSFER.** The higher education contingency and  
15 capital improvements emergency fund, board initiatives, and disabled student services in  
16 subdivision 2 of section 1 must be used for the benefit of the institutions and entities in  
17 subdivisions 2 through 15 of section 1 as determined by the state board of higher education.  
18 The board shall notify the office of management and budget of the allocation of general fund  
19 authority from the higher education contingency and capital improvements emergency fund,  
20 board initiatives, and disabled student services to the various entities and institutions and which  
21 line items in the various institutions and entities must be adjusted.

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

27	INSTITUTION	AMOUNT
28	North Dakota university system office	\$425,990
29	Bismarck state college	706,289
30	University of North Dakota - Lake Region	143,970
31	University of North Dakota - Williston	224,310

Fifty-sixth  
Legislative Assembly

1	University of North Dakota	5,019,907
2	North Dakota state university	4,732,776
3	North Dakota state college of science	846,333
4	Dickinson state university	602,255
5	Mayville state university	267,347
6	Minot state university	1,157,210
7	Valley City state university	355,978
8	Minot state university - Bottineau	131,711
9	North Dakota forest service	85,900
10	University of North Dakota medical center	<u>5,947,201</u>
11	Total	\$20,647,177

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

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

20 **SECTION 5. EXEMPTION.** The scholars program, university system contingency fund,  
21 student financial assistance grants, professional student exchange program, native American  
22 scholarships, and operating expenses contained in subdivision 2 of section 1 of chapter 32 of  
23 the 1997 Session Laws are not subject to the provisions of section 54-44.1-11 and any  
24 unexpended funds from these appropriations are available during the biennium beginning  
25 July 1, 1999, and ending June 30, 2001.

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

30 **SECTION 7. UNEXPENDED GENERAL FUND APPROPRIATIONS - EXCESS**  
31 **INCOME.** Unexpended general fund dollars appropriated to and excess income received by



entities listed in section 1 of chapter 32 of the 1997 Session Laws are not subject to the provisions of section 54-44.1-11 and any unexpended funds from these appropriations or revenues are available during the biennium beginning July 1, 1999, and ending June 30, 2001, and may be expended, as directed by the state board of higher education, for capital repairs and improvements, equipment, and other one-time expenditures.

**SECTION 8. PROJECT AUTHORIZATIONS - LOCAL RESPONSIBILITY.** The capital improvements at Bismarck state college and UND-Lake Region require a minimum local match as follows:

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, in addition to the minimum local match of \$200,000, 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, in addition to the minimum local match of \$495,000, 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 9. 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 10. USE OF PROCEEDS - APPROPRIATION.** The proceeds resulting from the sale of bonds authorized under section 9, 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 available funds from other sources are hereby appropriated for these projects. Any

unexpended balance from the sale of bonds must be placed in a sinking fund for the retirement of the authorized bonds.

**SECTION 11. LOCAL FUNDS APPROPRIATED.** Any local funds beyond the local funds appropriated in Section 1 of this Act are hereby appropriated for the biennium beginning July 1, 1999, and ending June 30, 2001, and may be spent subject to approval of the state board of higher education and reported to the budget section of the legislative council.

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

**SECTION 13. NDSU/NDSCS SKILLS TRAINING CENTER.** The general fund moneys provided by the 1999 legislative assembly for the skills training center may only be used for renovations to the skills training center. Any general fund moneys provided for the skills training center for the 1999-2001 biennium are intended to be the final direct general fund support provided by the legislative assembly, and no direct general fund support may be provided for the operations of or renovations or additions to the skills training center after the 1999-2001 biennium.

**SECTION 14. PROGRAM COORDINATION AND ACCREDITATION.** The legislative assembly urges the state board of higher education to carefully review requests by state institutions of higher education applying for accreditation of programs that have already been accredited at other state institutions. The board should consider student access and quality issues as well as costs when reviewing such requests. Whenever such a request is made or accreditation is granted, the board is encouraged to direct the campuses offering similar programs to cooperate in jointly offering the similar programs by using the staffs and resources of the other campuses. Also, the legislative assembly expresses its strong support for the board to continue implementing policies and procedures to ensure coordination and cooperation between campuses where similar programs are offered.

**SECTION 15. TECHNOLOGY POOL.** The technology pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. Technology funding

1 allocations are to be made based on historic funding, the higher education computer network  
2 strategic plan, base funding for higher education computer network computer center  
3 operations, and base funding for interactive video network and on-line Dakota information  
4 network operations.

5       **SECTION 16. SALARY POOL.** The salary pool amount in subdivision 1 of section 1  
6 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of  
7 section 1 as determined by the board of higher education. When making allocations from the  
8 salary appropriation pool in subdivision 1 of section 1, the state board of higher education shall  
9 allocate a minimum of ninety-five percent of the 1997-99 salary and wage appropriation to the  
10 institutions and entities in subdivisions 2 through 15 of section 1. The board is encouraged to  
11 allocate the funds to achieve the reinvestment of funds included in the 1999-2001 biennium  
12 entity budget requests. The board may, at its discretion, allocate funds to address equity  
13 funding issues and additional salary increases beyond legislative appropriations although it is  
14 recognized by the legislative assembly that significant additional funds or reallocations between  
15 campuses are necessary to fully address the equity funding and salary increase issues.

16       **SECTION 17. ALLOCATION OF RESTORATION LINE.** The restoration line in  
17 subdivision 1 of section 1 must be used for the benefit of the institutions and entities in  
18 subdivisions 2 through 15 of section 1 as determined by the board of higher education. When  
19 making allocations from the restoration line in subdivision 1 of section 1, the board of higher  
20 education is strongly encouraged to consider allocating the funds to address equity funding  
21 issues and special academic program needs of the entities under its control.

22       **SECTION 18. LEGISLATIVE COUNCIL INTERIM STUDY OF HIGHER EDUCATION**  
23 **FUNDING.** The legislative council shall consider studying higher education funding during the  
24 1999-2000 interim. If conducted, the study should solicit input from the governor, board of  
25 higher education, executive branch, university system campuses, and representatives of  
26 business and industry. The study should address the expectations of the North Dakota  
27 university system in meeting the state's needs in the twenty-first century, the funding  
28 methodology needed to meet these expectations and needs, and an accountability system and  
29 reporting methodology for the university system. The legislative council shall report its findings  
30 and recommendations, together with any legislation required to implement the  
31 recommendations, to the fifty-seventh legislative assembly.



legislative assemblies of the compacting states in accordance with the terms of this compact.

2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.
3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.
4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.
5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.
6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

#### Article III. Powers and Duties of the Commission

1. The commission shall adopt bylaws governing its management and operations.
2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.
3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.
4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the preceding year. The reports must include any recommendations that have been adopted by the commission.
5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.
6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the United States or from any subdivision or agency thereof, from an interstate agency, or from any person, and may receive, use, and dispose of the same.
7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.
8. The commission may establish and maintain offices in one or more of the compacting states.
9. The commission may establish committees and hire staff as necessary to carry out its functions.

- 1           10.    The commission may provide for actual and necessary expenses for the  
2                   attendance of its members at official meetings of the commission or of its  
3                   designated committees.

4                               Article IV. Activities of the Commission

- 5           1.    The commission shall collect data on the long-range effects of the compact on  
6                   higher education. By the end of the fourth year from the effective date of the  
7                   compact and every two years thereafter, the commission shall review its  
8                   accomplishments and make recommendations to the governors and legislative  
9                   assemblies of the compacting states regarding continuance of the compact.
- 10          2.    The commission shall study higher education issues that are of particular concern  
11                   to the midwestern region. The commission also shall study the need for higher  
12                   education programs and services in the compacting states and the resources for  
13                   meeting those needs. The commission shall prepare reports, on its research, for  
14                   presentation to the governors and legislative assemblies of the compacting states,  
15                   as well as to other interested parties. In conducting the studies, the commission  
16                   may confer with any national or regional planning body. The commission may  
17                   draft and recommend to the governors and legislative assemblies of the various  
18                   compacting states suggested legislation addressing issues in higher education.
- 19          3.    The commission shall study the need for the provision of adequate programs and  
20                   services in higher education, such as undergraduate, graduate, or professional  
21                   student exchanges in the region. If a need for exchange in a field is apparent, the  
22                   commission may enter agreements with any institution of higher education and  
23                   with any compacting state to provide programs and services in higher education  
24                   for the citizens of the respective compacting states. After negotiating with  
25                   interested institutions and the compacting states, the commission shall determine  
26                   the cost of providing the programs and services in higher education for use in its  
27                   agreements. The contracting states shall contribute funds not otherwise provided,  
28                   as determined by the commission, to carry out the agreements. The commission  
29                   may also serve as the administrative and fiscal agent in carrying out agreements  
30                   for higher education programs and services.

1           4.    The commission shall serve as a clearinghouse for information regarding higher  
2                   education activities among institutions and agencies.

3           5.    The commission may provide services and research in any other area of regional  
4                   concern.

5                                   Article V. Finance

6           1.    The compacting states will appropriate the amount necessary to finance the  
7                   general operations of the commission, not otherwise provided for, when authorized  
8                   by their respective legislative assemblies. The amount must be apportioned  
9                   equally among the compacting states.

10          2.    The commission may not incur any obligations prior to the passage of  
11                  appropriations adequate to meet the same; nor may the commission pledge the  
12                  credit of any of the compacting states, except by and with the authority of the  
13                  compacting state.

14          3.    The commission shall keep accurate accounts of its receipts and disbursements.  
15                  The receipts and disbursements of the commission are subject to the audit and  
16                  accounting procedures established under its bylaws. All receipts and  
17                  disbursements handled by the commission must be audited yearly by a certified or  
18                  licensed public accountant and the report of the audit must be included in and  
19                  become part of the annual report of the commission.

20          4.    The accounts of the commission must be open at any reasonable time for  
21                  inspection by duly authorized representatives of the compacting states and by  
22                  persons authorized by the commission.

23                                   Article VI. Eligible Parties and Entry Into Force

24          1.    The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri,  
25                  Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to  
26                  become parties to this compact. Additional states may be eligible if approved by a  
27                  majority of the compacting states.

28          2.    This compact becomes effective, as to any eligible party state, when its legislative  
29                  assembly enacts the compact into law.

30          3.    An amendment to the compact becomes effective upon its enactment by the  
31                  legislative assemblies of all compacting states.



Article VII. Withdrawal, Default, and Termination

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.
2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

Article VIII. Severability and Construction

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

**Midwestern higher education commission - Terms - Vacancies.**

1. The members of the midwestern higher education commission representing this state are:
  - a. The governor or the governor's designee.

1                   b.    One member of the senate and one member of the house of representatives,  
2                         appointed by the chairman of the legislative council.

3                   c.    Two at large members, one of whom must be knowledgeable about the field  
4                         of higher education, appointed by the governor.

5                2.    The term of each legislative appointee is two years. One initial at large member  
6                         must be appointed for a term of two years and the other for a term of four years.

7                         Thereafter, the term of each at large member is four years.

8                3.    If a member vacates the position to which the member was appointed, the position  
9                         must be filled for the remainder of the unexpired term in the same manner as that  
10                        position was filled initially.

11               **SECTION 23. EMERGENCY.** The capital improvements line items contained in  
12 subdivisions 2 through 14 of section 1 of this Act are declared to be emergency measures, and  
13 those funds are available immediately upon filing of this Act with the secretary of state.  
14 Sections 9 and 10 of this Act are declared to be emergency measures.