

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2206

Introduced by

Senators Brown, Nelson, Traynor

Representatives Aarsvold, D. Johnson, Sitte

1 A BILL for an Act to provide a statement of legislative intent regarding the allocation of certain
2 funding appropriated to higher education institutions.

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

4 **SECTION 1. LEGISLATIVE INTENT - HIGHER EDUCATION EQUITY AND PARITY**

5 **FUNDING.** It is the intent of the legislative assembly that any increase in funding provided from
6 the general fund for higher education institutions is to be allocated on the following priority
7 basis:

- 8 1. First, until all institutions are funded at least sixty-five percent of their individual
9 ninety-five percent peer benchmark, any additional funding must be allocated sixty
10 percent to parity to be distributed proportionately to all institutions and forty percent
11 to equity, with the equity funding to be distributed as follows:
- 12 a. First, the funds must be distributed to the institution that is furthest from the
13 sixty-five percent target until that institution reaches the funding level of the
14 next institution that is furthest from the sixty-five percent target.
- 15 b. Next, the funds must be distributed proportionately to those two institutions
16 until the institutions reach the funding level of the next institution that is
17 furthest from the sixty-five percent target.
- 18 c. Next, the funds must be distributed proportionately to those three institutions
19 until the institutions reach the funding level of the next institution that is
20 furthest from the sixty-five percent target.
- 21 d. The funds shall continue to be distributed proportionately to institutions in the
22 same manner until all institutions reach the level of sixty-five percent of their
23 individual ninety-five percent peer benchmark.

- 1 2. Second, until all institutions are funded at least seventy-five percent of their
2 individual ninety-five percent peer benchmark, additional funding must be allocated
3 seventy percent to parity to be distributed proportionately to all institutions and
4 thirty percent to equity, with the equity funding to be distributed proportionately to
5 institutions in the same manner as described in subsection 1 until all institutions
6 reach the level of seventy-five percent of their individual ninety-five percent peer
7 benchmark.
- 8 3. Third, after all institutions are funded at a level equal to at least seventy-five
9 percent of their ninety-five percent peer benchmarks, additional funding must be
10 allocated eighty percent to parity to be distributed proportionately to all institutions
11 and twenty percent to equity, to be distributed according to the long-term finance
12 plan adopted by the state board of higher education.