

Sixty-second
Legislative Assembly
of North Dakota

SENATE BILL NO. 2300

Introduced by

Senators Holmberg, Flakoll, Robinson

Representatives Glassheim, R. Kelsch, Wall

- 1 A BILL for an Act to create and enact four new sections to chapter 15-10 of the North Dakota
2 Century Code, relating to the creation of the North Dakota commission on higher education
3 funding; and to declare an emergency.

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

5 **SECTION 1.** A new section to chapter 15-10 of the North Dakota Century Code is created
6 and enacted as follows:

7 **North Dakota commission on higher education funding - Membership.**

8 The North Dakota commission on higher education funding consists of:

- 9 1. a. The governor or an individual designated by the governor, who shall serve as the
10 chairman;
11 b. The commissioner of higher education or the commissioner's designee;
12 c. Two members of the state board of higher education, selected by the state board;
13 d. The vice president for finance and administration at North Dakota state university
14 or the vice president's designee;
15 e. The vice president for finance and operations at the university of North Dakota or
16 the vice president's designee;
17 f. One individual, appointed by the governor, who is employed as the business
18 manager or the vice president for finance at a two-year institution under the
19 control of the state board of higher education;
20 g. One individual, appointed by the governor, who is employed as the business
21 manager or the vice president for finance at any institution under the control of
22 the state board of higher education other than an institution represented under
23 subdivision d, e, or f;
24 h. The chairman of the senate education committee or the chairman's designee;

- 1 i. The chairman of the house education committee or the chairman's designee;
- 2 j. The chairman of the senate appropriations committee or the chairman's
- 3 designee;
- 4 k. The chairman of the house appropriations committee or the chairman's designee;
- 5 l. The senate minority leader or the leader's designee; and
- 6 m. One individual who is the owner or manager of a business located in this state,
- 7 appointed by the chairman of the legislative management from a list of three
- 8 nominees submitted by the North Dakota chamber of commerce; and
- 9 2. The following nonvoting members:
- 10 a. One individual appointed by the chairman of the legislative management from a
- 11 list of three names submitted by the North Dakota council of college faculties;
- 12 and
- 13 b. One individual appointed by the chairman of the legislative management from a
- 14 list of three names submitted by the North Dakota student association.

15 **SECTION 2.** A new section to chapter 15-10 of the North Dakota Century Code is created
16 and enacted as follows:

17 **North Dakota commission on higher education funding - Rules of operation and**
18 **procedure.**

19 The North Dakota commission on higher education funding shall establish its own duties
20 and rules of operation and procedure, including rules relating to appointments, terms of office,
21 vacancies, quorums, and meetings, provided that the duties and the rules do not conflict with
22 this Act.

23 **SECTION 3.** A new section to chapter 15-10 of the North Dakota Century Code is created
24 and enacted as follows:

25 **North Dakota commission on higher education funding - Compensation and**
26 **reimbursement.**

- 27 1. Members of the North Dakota commission on higher education funding are entitled to
- 28 reimbursement for actual and necessary expenses incurred in the same manner as
- 29 state officials.
- 30 2. In addition, members of the legislative assembly who serve on the commission and
- 31 the individual who is the owner or manager of a business located in this state are

entitled to receive per diem compensation, in the amount provided for in section 54-03-20, if they are attending meetings or performing duties directed by the commission.

3. The commissioner of higher education shall use up to forty thousand dollars from moneys appropriated in the system governance line item in the appropriation bill for the North Dakota university system office, as approved by the legislative assembly, to provide the compensation and reimbursements required by this section.

SECTION 4. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

North Dakota commission on higher education funding - Duties.

1. In order to ensure the continued delivery and financing of a quality system of higher education in this state, the North Dakota commission on higher education funding shall examine alternative methods for funding higher education, including any funding method that is developed by the state board of higher education or others and which will reward:
 - a. Specifically identified outcomes such as:
 - (1) Increases in the number of degrees awarded;
 - (2) Increases in the number of on-time graduations;
 - (3) The number of degrees awarded to low-income students; and
 - (4) Increases in the number of students retained beyond their first year; and
 - b. Any other outcome considered desirable by the commission.
2. The North Dakota commission on higher education funding may:
 - a. Examine a funding methodology that is based on the actual cost of delivering a quality education to the various cost categories of enrolled students, as determined by the commission, including online students, students whose programs require laboratory access, and graduate students, as well as any other categories of students;
 - b. Develop a system of weighted student costs, one of which could include the size of the educating institution; and
 - c. Assume that historic spending levels are the initial indicator of the actual cost of educating students.

1 **SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure.