

February 24, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota
2 university system; to provide an appropriation to the Bank of North Dakota; to amend and
3 reenact subsection 2 of section 6-09-53, subdivision c of subsection 1 of section 15-10-48,
4 subdivision c of subsection 1 of section 15-10-48.2, ~~subdivision~~ subdivisions a and c of
5 subsection 1 of section 15-10-49, subsection 1 of section 15-10-75, paragraph 3 of
6 subdivision h of subsection 1 of section 15-18.2-02, subsection 2 of section 15-18.2-03,
7 subsection 1 of section 15-18.2-05, sections 15-54.1-02 and 15-54.1-04, subsection 1 of section
8 15-62.4-01, and section 54-44.1-11 of the North Dakota Century Code, relating to the economic
9 diversification research fund, matching grants for the advancement of academics, the workforce
10 education innovation program, state aid for institutions of higher education, university system
11 capital building funds, student financial assistance grants, and the cancellation of unexpended
12 appropriations; to amend and reenact sections 6 and 7 of chapter 126 of the 2021 Session
13 Laws, relating to transfers from the Bank of North Dakota to the skilled workforce loan
14 repayment program fund and the skilled workforce scholarship fund; to amend and reenact
15 subsection 17 of section 1 of chapter 550 of the 2021 Special Session Session Laws, relating to
16 funding for hyperbaric oxygen therapy; to amend and reenact sections 7, 8, and 9 of chapter 3
17 of the 2023 Session Laws, relating to transfers from the Bank of North Dakota to the skilled
18 workforce loan repayment program fund, the skilled workforce scholarship fund, and to the state
19 board of higher education for dual-credit tuition scholarships; to authorize the state board of
20 higher education to issue and sell bonds for capital projects; to provide for a transfer; to provide
21 for the conveyance of real property; to provide for a legislative management higher education

1 funding review committee; to provide for a report; to provide legislative intent; and to provide an
2 exemption.

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 funds
5 as may be necessary, are appropriated out of any moneys in the general fund in the state
6 treasury, not otherwise appropriated, and from other funds derived from special funds and
7 federal funds, to the state board of higher education and to the entities and institutions under
8 the supervision of the board for the purpose of defraying the expenses of the state board of
9 higher education and the entities and institutions under the supervision of the board, for the
10 biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

11 Subdivision 1.

12 NORTH DAKOTA UNIVERSITY SYSTEM

		Adjustments or		
		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
15	Capital assets - bond payments	\$11,197,896	(\$936,521)	\$10,261,375
16	Competitive research programs	5,685,750	0	5,685,750
17	System governance	10,569,162	2,274,325	12,843,487
18	Core technology services	71,988,917	5,144,536	77,133,453
19	Student financial assistance grants	29,917,306	2,000,000	31,917,306
20	Professional student exchange program	3,699,342	1,500,000	5,199,342
21	Academic and CTE scholarships	17,216,749	0	17,216,749
22	Scholars program	1,807,115	0	1,807,115
23	Native American scholarship	1,000,000	0	1,000,000
24	Tribally controlled community	1,400,000	200,000	1,600,000
25	college grants			
26	Education incentive programs	260,000	0	260,000
27	Student mental health	284,400	0	284,400
28	Veterans' assistance grants	454,875	0	454,875
29	Shared campus services	800,000	0	800,000
30	Nursing education consortium	1,356,000	1,100,000	2,456,000

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1	NASA EPSCoR	342,000	0	342,000
2	Education challenge fund	0	25,000,000	25,000,000
3	Dakota digital academy	0	450,000	450,000
4	Workforce education innovation grants	0	12,000,000	12,000,000
5	Dual-credit tuition scholarship	<u>1,500,000</u>	<u>0</u>	<u>1,500,000</u>
6	Total all funds	\$159,479,512	\$48,732,340	\$208,211,852
7	Less other funds	<u>26,260,897</u>	<u>39,125,852</u>	<u>65,386,749</u>
8	Total general fund	\$133,218,615	\$9,606,488	\$142,825,103
9	Full-time equivalent positions	162.83	6.00	168.83

10 Subdivision 2.

11 BISMARCK STATE COLLEGE

12			Adjustments or	
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Operations	\$110,026,302	\$5,165,031	\$115,191,333
15	Capital assets	<u>1,922,561</u>	<u>1,400,000</u>	<u>3,322,561</u>
16	Total all funds	\$111,948,863	\$6,565,031	\$118,513,894
17	Less other funds	<u>74,566,953</u>	<u>4,451,570</u>	<u>79,018,523</u>
18	Total general fund	\$37,381,910	\$2,113,461	\$39,495,371
19	Full-time equivalent positions	335.33	2.92	338.25

20 Subdivision 3.

21 LAKE REGION STATE COLLEGE

22			Adjustments or	
23		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
24	Operations	\$41,913,733	\$1,472,757	\$43,386,490
25	Capital assets	<u>362,667</u>	<u>0</u>	<u>362,667</u>
26	Total all funds	\$42,276,400	\$1,472,757	\$43,749,157
27	Less other funds	<u>26,601,597</u>	<u>931,171</u>	<u>27,532,768</u>
28	Total general fund	\$15,674,803	\$541,586	\$16,216,389
29	Full-time equivalent positions	120.59	(5.44)	115.15

30 Subdivision 4.

31 WILLISTON STATE COLLEGE

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1			Adjustments or	
2		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
3	Operations	\$37,378,349	\$933,802	\$38,312,151
4	Capital assets	<u>1,261,968</u>	<u>0</u>	<u>1,261,968</u>
5	Total all funds	\$38,640,317	\$933,802	\$39,574,119
6	Less other funds	<u>25,154,992</u>	<u>796,812</u>	<u>25,951,804</u>
7	Total general fund	\$13,485,325	\$136,990	\$13,622,315
8	Full-time equivalent positions	102.83	(3.09)	99.74
9	Subdivision 5.			

UNIVERSITY OF NORTH DAKOTA

11			Adjustments or	
12		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13	Operations	\$967,725,670	\$51,533,197	\$1,019,258,867
14	Capital assets	4,411,566	79,500,000	83,911,566
15	Research network	<u>2,500,000</u>	<u>1,000,000</u>	<u>3,500,000</u>
16	Total all funds	\$974,637,236	\$132,033,197	\$1,106,670,433
17	Less other funds	<u>790,481,856</u>	<u>120,626,346</u>	<u>911,108,202</u>
18	Total general fund	\$184,155,380	\$11,406,851	\$195,562,231
19	Full-time equivalent positions	2,060.56	131.39	2,191.95
20	Subdivision 6.			

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

22			Adjustments or	
23		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
24	Operations	\$240,396,968	\$18,590,513	\$258,987,481
25	Healthcare workforce initiative	<u>10,676,150</u>	<u>0</u>	<u>10,676,150</u>
26	Total all funds	\$251,073,118	\$18,590,513	\$269,663,631
27	Less other funds	<u>168,241,842</u>	<u>5,776,474</u>	<u>174,018,316</u>
28	Total general fund	\$82,831,276	\$12,814,039	\$95,645,315
29	Full-time equivalent positions	488.83	40.23	529.06
30	Subdivision 7.			

NORTH DAKOTA STATE UNIVERSITY

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1			Adjustments or	
2		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
3	Operations	\$807,365,091	\$44,700,943	\$852,066,034
4	Capital assets	7,799,104	125,000,000	132,799,104
5	Research network	<u>2,500,000</u>	<u>1,000,000</u>	<u>3,500,000</u>
6	Total all funds	\$817,664,195	\$170,700,943	\$988,365,138
7	Less other funds	<u>653,917,430</u>	<u>159,772,791</u>	<u>813,690,221</u>
8	Total general fund	\$163,746,765	\$10,928,152	\$174,674,917
9	Full-time equivalent positions	1,867.50	(61.54)	1,805.96
10	Subdivision 8.			

NORTH DAKOTA STATE COLLEGE OF SCIENCE

12			Adjustments or	
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Operations	\$102,490,255	\$6,921,477	\$109,411,732
15	Capital assets	<u>1,012,379</u>	<u>0</u>	<u>1,012,379</u>
16	Total all funds	\$103,502,634	\$6,921,477	\$110,424,111
17	Less other funds	<u>63,645,097</u>	<u>2,273,578</u>	<u>65,918,675</u>
18	Total general fund	\$39,857,537	\$4,647,899	\$44,505,436
19	Full-time equivalent positions	313.95	12.59	326.54
20	Subdivision 9.			

DICKINSON STATE UNIVERSITY

22			Adjustments or	
23		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
24	Operations	\$56,728,746	\$3,370,815	\$60,099,561
25	Capital assets	<u>409,078</u>	<u>12,500,000</u>	<u>12,909,078</u>
26	Total all funds	\$57,137,824	\$15,870,815	\$73,008,639
27	Less other funds	<u>32,697,829</u>	<u>13,758,716</u>	<u>46,456,545</u>
28	Total general fund	\$24,439,995	\$2,112,099	\$26,552,094
29	Full-time equivalent positions	178.00	(7.20)	170.80
30	Subdivision 10.			

MAYVILLE STATE UNIVERSITY

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1			Adjustments or	
2		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
3	Operations	\$56,295,375	\$2,299,716	\$58,595,091
4	Capital assets	<u>358,992</u>	<u>34,924,814</u>	<u>35,283,806</u>
5	Total all funds	\$56,654,367	\$37,224,530	\$93,878,897
6	Less other funds	<u>34,375,971</u>	<u>36,760,335</u>	<u>71,136,306</u>
7	Total general fund	\$22,278,396	\$464,195	\$22,742,591
8	Full-time equivalent positions	226.92	0.00	226.92
9	Subdivision 11.			

MINOT STATE UNIVERSITY

11			Adjustments or	
12		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13	Operations	\$116,510,048	\$4,701,181	\$121,211,229
14	Capital assets	<u>1,099,620</u>	<u>11,232,000</u>	<u>12,331,620</u>
15	Total all funds	\$117,609,668	\$15,933,181	\$133,542,849
16	Less other funds	<u>68,644,425</u>	<u>14,839,213</u>	<u>83,483,638</u>
17	Total general fund	\$48,965,243	\$1,093,968	\$50,059,211
18	Full-time equivalent positions	423.63	(2.47)	421.16
19	Subdivision 12.			

VALLEY CITY STATE UNIVERSITY

21			Adjustments or	
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Operations	\$56,008,906	\$1,499,518	\$57,508,424
24	Capital assets	<u>455,823</u>	<u>0</u>	<u>455,823</u>
25	Total all funds	\$56,464,729	\$1,499,518	\$57,964,247
26	Less other funds	<u>28,111,916</u>	<u>1,421,115</u>	<u>29,533,031</u>
27	Total general fund	\$28,352,813	\$78,403	\$28,431,216
28	Full-time equivalent positions	211.94	5.50	217.44
29	Subdivision 13.			

DAKOTA COLLEGE AT BOTTINEAU

1			Adjustments or	
2		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
3	Operations	\$26,229,141	\$1,249,697	\$27,478,838
4	Capital assets	<u>114,007</u>	<u>0</u>	<u>114,007</u>
5	Total all funds	\$26,343,148	\$1,249,697	\$27,592,845
6	Less other funds	<u>14,900,270</u>	<u>555,764</u>	<u>15,456,034</u>
7	Total general fund	\$11,442,878	\$693,933	\$12,136,811
8	Full-time equivalent positions	84.00	3.85	87.85
9	Subdivision 14.			

NORTH DAKOTA FOREST SERVICE

11			Adjustments or	
12		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13	Operations	\$24,874,803	\$1,592,413	\$26,467,216
14	Capital assets	<u>118,728</u>	<u>0</u>	<u>118,728</u>
15	Total all funds	\$24,993,531	\$1,592,413	\$26,585,944
16	Less other funds	<u>19,141,941</u>	<u>1,049,079</u>	<u>20,191,020</u>
17	Total general fund	\$5,851,590	\$543,334	\$6,394,924
18	Full-time equivalent positions	29.00	5.00	34.00
19	Subdivision 15.			

TOTAL - SECTION 1

21			Adjustments or	
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Grand total all funds	\$2,838,425,542	\$459,320,214	\$3,297,745,756
24	Grand total other funds	<u>2,026,743,016</u>	<u>402,138,816</u>	<u>2,428,881,832</u>
25	Grand total general fund	\$811,682,526	\$57,181,398	\$868,863,924

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

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	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
1				
2	Capital projects - general fund	\$0	\$63,772,000	\$63,772,000
3	Capital projects - strategic investment	0	34,924,814	34,924,814
4	and improvements fund			
5	Capital projects - other funds	0	165,860,000	165,860,000
6	University of North Dakota national	0	12,000,000	12,000,000
7	security crossroads			
8	High performance computing	2,000,000	0	2,000,000
9	North Dakota state university new	0	12,000,000	12,000,000
10	horizon programming			
11	Minot state university advancing students	500,000	0	500,000
12	toward education and employment			
13	Dual-credit scholarships	0	1,500,000	1,500,000
14	Professional student exchange program	1,500,000	0	1,500,000
15	Challenge grants	0	25,000,000	25,000,000
16	Dakota digital academy	450,000	0	450,000
17	Nursing education consortium	0	1,100,000	1,100,000
18	Financial aid system enhancements	25,000	0	25,000
19	Workforce education innovation grants	0	12,000,000	12,000,000
20	Forest service emerald ash borer mitigation	<u>0</u>	<u>950,000</u>	<u>950,000</u>
21	Total	\$4,475,000	\$329,106,814	\$333,581,814

SECTION 3. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -

APPROPRIATION. All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2025, and ending June 30, 2027. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2025, and ending June 30, 2027, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

SECTION 4. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS. The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution, excluding the university of North Dakota and North Dakota state university, shall provide one dollar of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project. The university of North Dakota and North Dakota state university shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

**SECTION 5. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS
FUND - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - EDUCATION CHALLENGE**

FUND - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,500,000, or so much of the sum as may be necessary, to the North Dakota university system office for the purpose of providing higher education challenge grants, for the biennium beginning July 1, 2025, and ending June 30, 2027. The funding in this section is considered a one-time funding item.

SECTION 6. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.

The grand total other funds line item in subdivision 15 of section 1 of this Act includes \$161,746,814 from the strategic investment and improvements fund as follows:

Challenge grants	\$25,000,000
Nursing education consortium	1,100,000
Workforce education innovation grants	12,000,000
Forest service emerald ash borer mitigation	950,000
University of North Dakota science, technology, engineering, and mathematics building	55,640,000
University of North Dakota national security crossroads	12,000,000
North Dakota state university new horizon programming	12,000,000
Mayville state university old main renovation	34,924,814
Minot state university academic facilities projects	<u>8,132,000</u>
Total strategic investment and improvements fund	\$161,746,814

SECTION 7. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - BISMARCK STATE COLLEGE Of the funding appropriated in the system governance and core

technology services line items in subdivision 1 of section 1 of this Act, the state board of higher education shall transfer \$500,000 to the operations line item in subdivision 2 of section 1 of this Act by August 1, 2025. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

SECTION 8. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS. The industrial commission shall transfer to the North Dakota university system office a total of \$1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2025, and ending June 30, 2027, as requested by the commissioner of higher education. The other funds line item in subdivision 1 of section 1 includes \$1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

SECTION 9. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND. The office of management and budget shall transfer \$8,000,000 from the strategic investment and improvements fund to the economic diversification research fund, the sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to institutions under the control of the state board of higher education, for the biennium beginning July 1, 2025, and ending June 30, 2027, as requested by the commissioner of higher education.

SECTION 10. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND. The office of management and budget shall transfer \$31,500,000 from the strategic investment and improvements fund to the university system capital building fund during the biennium beginning July 1, 2025, and ending June 30, 2027, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
Bismarck state college	\$770,505	\$1,000,000	\$1,770,505
Lake Region state college	233,263	1,000,000	1,233,263
Williston state college	322,154	1,000,000	1,322,154
University of North Dakota	5,354,139	3,750,000	9,104,139
North Dakota state university	4,695,895	3,750,000	8,445,895
North Dakota state college of science	1,214,738	1,000,000	2,214,738

1	Dickinson state university	516,884	1,000,000	1,516,884
2	Mayville state university	332,070	1,000,000	1,332,070
3	Minot state university	906,412	1,000,000	1,906,412
4	Valley City state university	452,403	1,000,000	1,452,403
5	Dakota college at Bottineau	<u>201,537</u>	<u>1,000,000</u>	<u>1,201,537</u>
6	Total	\$15,000,000	\$16,500,000	\$31,500,000

7 **SECTION 11. CAPITAL BUILDING FUNDS - TIER II - USES.** The institutions listed may
8 use funding from tier II of the respective institution's university system capital building fund
9 allocation for the following projects authorized by the sixty-ninth legislative assembly:

10	Bismarck state college student housing	\$1,400,000
11	University of North Dakota science, technology, engineering, and	23,860,000
12	mathematics building	
13	North Dakota state university Van Es biosafety laboratory	<u>8,000,000</u>
14	Total	\$33,260,000

15 **SECTION 12. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the
16 biennium beginning July 1, 2025, and ending June 30, 2027, each capital project authorized by
17 the state board of higher education must have adequate project management oversight by
18 either an institution official or a representative of an external entity. An institution may seek
19 assistance from the university system office for project management oversight of a capital
20 project.

21 **SECTION 13. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The state board of
22 higher education, in accordance with chapter 15-55, may arrange for the funding of projects
23 authorized in this section, declared to be in the public interest, through the issuance of
24 self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, during the
25 biennium beginning July 1, 2025, and ending June 30, 2027. Evidences of indebtedness issued
26 pursuant to this section are not a general obligation of the state of North Dakota. Any
27 unexpended balance resulting from the proceeds of the evidences of indebtedness must be
28 placed in a sinking fund to be used for the retirement of indebtedness. The evidences of
29 indebtedness may be issued and the proceeds are appropriated in section 1 of this Act for the
30 following capital projects:

1	North Dakota state university - university village	\$54,000,000
2	North Dakota state university - memorial union	50,000,000
3	Dickinson state university - Woods hall, agriculture and technical education	12,500,000
4	building, and rodeo arena projects	
5	Minot state university - student center	<u>3,100,000</u>
6	Total special funds	\$119,600,000

7 **SECTION 14. AMENDMENT.** Subsection 2 of section 6-09-53 of the North Dakota Century
8 Code is amended and reenacted as follows:

- 9 2. In consultation with representatives of North Dakota state university and the university
10 of North Dakota, the Bank, in consultation with the state board of higher education,
11 shall award grants to institutions under the control of the state board of higher
12 education. The sum of ~~five million~~seven million two hundred thousand dollars must be
13 awarded to North Dakota state university and the university of North Dakota with equal
14 amounts awarded to each institution. The remaining funding must be awarded to the
15 other institutions under the control of the state board of higher education, as
16 determined by the board. The state board of higher education may not award more
17 than fifty percent of the available funding during the first year of the biennium. The
18 Bank of North Dakota shall distribute the grant funding as awarded by the state board
19 of higher education.

20 **SECTION 15. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North
21 Dakota Century Code is amended and reenacted as follows:

- 22 c. The board may award up to ~~two million seven hundred thousand~~three million
23 three hundred seventy-five thousand dollars in matching grants each to the
24 university of North Dakota and North Dakota state university; and up to ~~two~~
25 ~~million two hundred thousand~~two million seven hundred fifty thousand dollars in
26 matching grants to the university of North Dakota school of medicine and health
27 sciences. Of the amount available to the university of North Dakota, two hundred
28 fifty thousand dollars must be awarded for projects dedicated to projects at the
29 school of law.

30 **SECTION 16. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48.2 of the
31 North Dakota Century Code is amended and reenacted as follows:

- c. The board may award up to ~~two million two hundred thousand~~ two million seven hundred fifty thousand dollars in matching grants under this section.

SECTION 17. AMENDMENT. Subdivision a of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

- a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of:
- (1) Bismarck state college, Dakota college at Bottineau, Dickinson state university, Lake Region state college, Mayville state university, Minot state university, North Dakota state college of science, Valley City state university, and Williston state college for projects dedicated exclusively to the advancement of academics; and
 - (2) University of Jamestown and university of Mary for projects dedicated exclusively to student scholarships.

SECTION 18. AMENDMENT. Subdivision c of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

- c. The board may award up to:
- (1) ~~One million seven hundred thousand~~ Two million one hundred twenty-five thousand dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;
 - (2) ~~One million one hundred thousand~~ One million three hundred seventy-five thousand dollars each to Dickinson state university, Mayville state university, and Valley City state university; and
 - (3) ~~Six hundred thousand~~ Seven hundred fifty thousand dollars each to Dakota college at Bottineau, university of Jamestown, Lake Region state college, university of Mary, and Williston state college.

SECTION 19. AMENDMENT. Subsection 1 of section 15-10-75 of the North Dakota Century Code is amended and reenacted as follows:

1. The state board of higher education may provide award funds to institutions under its control, excluding the university of North Dakota and North Dakota state university, to

1 create or enhance educational programs that address the workforce needs of North
2 Dakota business and industry. An award made under this section may be used for
3 curriculum development, equipment and technology purchases, facility modifications
4 and equipment installation, hiring and training new and existing instructors,
5 educational program promotion, and enhancement of postsecondary partnerships with
6 primary and secondary schools.

7 **SECTION 20. AMENDMENT.** Paragraph 3 of subdivision h of subsection 1 of section
8 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

9 (3) ~~9-025.0~~ for professional level credits;

10 **SECTION 21. AMENDMENT.** Subsection 2 of section 15-18.2-03 of the North Dakota
11 Century Code is amended and reenacted as follows:

- 12 2. If the number of credit-hours completed by an institution would cause a decrease in
13 the credit completion factor for that institution compared to the credit completion factor
14 the institution ~~was entitled to receive during the 2017-19~~received during the prior
15 biennium, the state board of higher education shall multiply the product determined
16 under section 15-18.2-02 by a credit growth factor of 1.0 for credits in excess of the
17 factor the institution ~~was entitled to receive during the 2017-19~~received during the prior
18 biennium. Any weighted credit-hours multiplied by a credit growth factor under this
19 section must have a weight of 1.0 under section 15-18.2-02. The state board of higher
20 education shall multiply the remaining weighted credits by the credit completion factor
21 the institution ~~was entitled to receive during the 2017-19~~received during the prior
22 biennium.

23 **SECTION 22. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota
24 Century Code is amended and reenacted as follows:

- 25 1. Except as provided under subsections 2 and 3, to determine the state aid payment to
26 which each institution under its control is entitled, the state board of higher education
27 shall multiply the product determined under section 15-18.2-03 by a base amount of:
- 28 a. ~~\$73.15~~\$79.36 in the case of North Dakota state university and the university of
29 North Dakota;
 - 30 b. ~~\$103.76~~\$111.55 in the case of Dickinson state university, Mayville state
31 university, Minot state university, and Valley City state university; and

- 1 c. ~~\$110.38~~\$119.91 in the case of Bismarck state college, Dakota college at
2 Bottineau, Lake Region state college, North Dakota state college of science, and
3 Williston state college.

4 **SECTION 23. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15-54.1-02. Capital building funds - Uses - Reports.**

7 Subject to tier II and tier III capital building fund matching requirements under this chapter,
8 each institution may use its allocation of funds from the university system capital building fund
9 for projects specifically authorized by the legislative assembly to use university system capital
10 building fund moneys from each tier. In addition, after an institution has matched and committed
11 seventy-five percent of the funding appropriated for the institution's tier I extraordinary repairs
12 and subject to state board of higher education approval and matching requirements under this
13 chapter, each institution may use its allocation of funds from the university system capital
14 building fund tier II and tier III for extraordinary repairs and deferred maintenance projects for
15 academic and student housing facilities that do not increase the overall square footage of a
16 building. The state board of higher education shall report biennially to the legislative
17 management and to the appropriations committees of the legislative assembly on the use of
18 funding in the university system capital building fund, the source of matching funds, and each
19 institution's five-year plan for capital construction spending.

20 **SECTION 24. AMENDMENT.** Section 15-54.1-04 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15-54.1-04. Tier III capital building funds - Matching requirements.**

23 The state board of higher education may allocate tier III capital building fund moneys to an
24 institution only after the institution, excluding the university of North Dakota and North Dakota
25 state university, provides ~~two dollars~~one dollar of matching funds from operations or other
26 sources for each ~~one dollar~~two dollars from the university system capital building fund for the
27 project. The state board of higher education may allocate tier III capital building fund moneys to
28 the university of North Dakota and North Dakota state university only after the institution
29 provides one dollar of matching funds from operations or other sources for each one dollar from
30 the university system capital building fund for the project. An institution may not use tier I

extraordinary repairs funding, tier II capital building fund moneys, or state funding appropriated for a specific capital project as matching funds under this section.

SECTION 25. AMENDMENT. Subsection 1 of section 15-62.4-01 of the North Dakota Century Code is amended and reenacted as follows:

1. a. Graduated from a high school in this state;
- b. Graduated from a high school in a bordering state, pursuant to chapter 15.1-29;
- c. Graduated from a nonpublic high school in a bordering state while residing with a custodial parent in this state;
- d. Completed a program of home education supervised in accordance with chapter 15.1-23; ~~or~~
- e. Received a general educational development high school diploma from the superintendent of public instruction; or
- f. Is a resident student, as defined in section 15-10-19.1.

SECTION 26. AMENDMENT. Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2025~~2027)

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

- 1 1. New construction projects.
- 2 2. Major repair or improvement projects.
- 3 3. Purchases of new equipment costing more than ten thousand dollars per unit if it was
- 4 ordered during the first twelve months of the biennium in which the funds were
- 5 appropriated.
- 6 4. The purchase of land by the state on a "contract for deed" purchase if the total
- 7 purchase price is within the authorized appropriation.
- 8 5. Purchases by the department of transportation of roadway maintenance equipment
- 9 costing more than ten thousand dollars per unit if the equipment was ordered during
- 10 the first twenty-one months of the biennium in which the funds were appropriated.
- 11 6. Authorized ongoing information technology projects.

12 **Office of management and budget to cancel unexpended appropriations - When they**
13 **may continue. (Effective after July 31, 20252027)** The office of management and budget,
14 thirty days after the close of each biennial period, shall cancel all unexpended appropriations or
15 balances of appropriations after the expiration of the biennial period during which they became
16 available under the law. Unexpended appropriations for the state historical society are not
17 subject to this section and the state historical society shall report on the amounts and uses of
18 funds carried over from one biennium to the appropriations committees of the next subsequent
19 legislative assembly. The chairmen of the appropriations committees of the senate and house of
20 representatives of the legislative assembly with the office of the budget may continue
21 appropriations or balances in force for not more than two years after the expiration of the
22 biennial period during which they became available upon recommendation of the director of the
23 budget for:

- 24 1. New construction projects.
- 25 2. Major repair or improvement projects.
- 26 3. Purchases of new equipment costing more than ten thousand dollars per unit if it was
- 27 ordered during the first twelve months of the biennium in which the funds were
- 28 appropriated.
- 29 4. The purchase of land by the state on a "contract for deed" purchase if the total
- 30 purchase price is within the authorized appropriation.

5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.

6. Authorized ongoing information technology projects.

SECTION 27. AMENDMENT. Section 6 of chapter 126 of the 2021 Session Laws is amended and reenacted as follows:

SECTION 6. TRANSFER - BANK OF NORTH DAKOTA - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND. The Bank of North Dakota shall transfer the sum of \$2,250,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the skilled workforce student loan repayment fund during the bienniumperiod beginning July 1, 2021, and ending June 30, ~~2023~~2027.

SECTION 28. AMENDMENT. Section 7 of chapter 126 of the 2021 Session Laws is amended and reenacted as follows:

SECTION 7. TRANSFER - BANK OF NORTH DAKOTA - SKILLED WORKFORCE SCHOLARSHIP FUND. The Bank of North Dakota shall transfer the sum of \$2,250,000, or so much of the sum as may be necessary, from the Bank's current earnings and undivided profits to the skilled workforce scholarship fund during the bienniumperiod beginning July 1, 2021, and ending June 30, ~~2023~~2027.

SECTION 29. AMENDMENT. Section 7 of chapter 3 of the 2023 Session Laws is amended and reenacted as follows:

SECTION 7. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS. The industrial commission shall transfer to the North Dakota university system a total of \$1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the bienniumperiod beginning July 1, 2023, and ending June 30, ~~2025~~2027, as requested by the commissioner of higher education. The estimated income line item in subdivision 1 of section 1 includes \$1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

SECTION 30. AMENDMENT. Section 8 of chapter 3 of the 2023 Session Laws is amended and reenacted as follows:

SECTION 8. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED

WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND. The industrial commission shall transfer the sum of \$3,400,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce student loan repayment program fund during the ~~biennium~~period beginning July 1, 2023, and ending June 30, ~~2025~~2027.

SECTION 31. AMENDMENT. Section 9 of chapter 3 of the 2023 Session Laws is amended and reenacted as follows:

SECTION 9. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED

WORKFORCE SCHOLARSHIP FUND. The industrial commission shall transfer the sum of \$3,400,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce scholarship fund during the ~~biennium~~period beginning July 1, 2023, and ending June 30, ~~2025~~2027.

SECTION 32. AMENDMENT. Subsection 17 of section 1 of chapter 550 of the 2021 Special Session Session Laws is amended and reenacted as follows:

17. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of \$2,104,121, or so much of the sum as may be necessary, to the university of North Dakota school of medicine and health sciences for the purpose of purchasing equipment ~~and hiring personnel to~~
be granted to health care providers in the state to provide hyperbaric oxygen therapy for the period beginning with the effective date of this Act, and ending June 30, 2023.

SECTION 33. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT

REPORT. Notwithstanding section 54-16-04, the office of management and budget shall transfer appropriation authority from the operations to the capital assets line items within subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher education, for the biennium beginning July 1, 2025, and ending June 30, 2027. The board shall report any transfer of funds under this section to the legislative management.

SECTION 34. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.

Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and

1 entities under its control during the biennium beginning July 1, 2025, and ending June 30, 2027.
2 The North Dakota university system shall report any adjustments to the office of management
3 and budget as part of the submission of the 2027-29 biennium budget request.

4 **SECTION 35. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
5 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
6 the biennium beginning July 1, 2025, and ending June 30, 2027:

- 7 1. Any amounts remaining from the \$18,160,000 appropriated from the general fund for
8 capital projects inflation and \$411,724,026 appropriated from other funds, including
9 \$209,976,971 appropriated from the strategic investment and improvements fund, for
10 capital projects at institutions under the control of the state board of higher education
11 in section 1 of chapter 3 of the 2023 Session Laws;
- 12 2. Any amounts remaining from the \$8,500,000 appropriated from other funds to
13 Bismarck state college for the multipurpose academic and athletic center in section 2
14 of chapter 638 of the 2023 Special Session Session Laws;
- 15 3. Any amounts remaining from the \$1,500,000 appropriated from Bank of North Dakota
16 profits for dual-credit scholarships in section 1 of chapter 3 of the 2023 Session Laws;
- 17 4. Any amounts remaining from the funding appropriated from federal funds derived from
18 the state fiscal recovery fund to the state board of higher education and institutions
19 under the control of the state board of higher education in section 1 of chapter 548
20 and section 1 of chapter 550 of the 2021 Special Session Session Laws and continued
21 into the biennium beginning July 1, 2023, and ending June 30, 2025, in section 42 of
22 chapter 3 of the 2023 Session Laws.

23 **SECTION 36. EXEMPTION - SALE OF PROPERTY AUTHORIZED - USE OF**
24 **PROCEEDS.** The state of North Dakota, by and through the state board of higher education,
25 may sell and convey certain real property located at the intersection of sixth avenue north and
26 forty-second street north, in the southeast corner, unplatted parts including the north half of the
27 northwest quarter of the southwest quarter of section 5, township 151 north, range 50,
28 estimated to include 20 acres, in the records of the city of Grand Forks. If any real property
29 authorized to be conveyed under this section is conveyed, the terms of conveyance must be
30 determined jointly by the state board of higher education or a designee of the board and the
31 commissioner of university and school lands. Sections 54-01-05.2 and 54-01-05.5 do not apply

to the transfers authorized by this section. Any proceeds from the sale of land pursuant to this section may be used only for deferred maintenance, extraordinary repairs, or legislatively authorized capital projects.

SECTION 37. EXEMPTION - SALE OF PROPERTY AUTHORIZED - USE OF

PROCEEDS. The state of North Dakota, by and through the state board of higher education, may sell and convey certain real property located at the intersection of Demers avenue and forty-second street north, in the northwest corner, known as 4201 James Ray drive, the south east corner of lot 1, block 1, estimated to be 2.74 acres, in the records of the city of Grand Forks. If any real property authorized to be conveyed under this section is conveyed, the terms of conveyance must be determined jointly by the state board of higher education or a designee of the board and the commissioner of university and school lands. Sections 54-01-05.2 and 54-01-05.5 do not apply to the transfers authorized by this section. Any proceeds from the sale of land pursuant to this section may be used only for deferred maintenance, extraordinary repairs, or legislatively authorized capital projects.

**SECTION 38. HIGHER EDUCATION FUNDING REVIEW COMMITTEE - REPORT TO
THE LEGISLATIVE MANAGEMENT.**

1. During the 2025-26 interim, the higher education funding review committee is created and composed of thirteen members as follows:
 - a. Two members of the house of representatives appointed by the majority leader of the house of representatives and one member appointed by the minority leader of the house of representatives;
 - b. Two members of the senate appointed by the majority leader of the senate and one member appointed by the minority leader of the senate;
 - c. One member of the legislative assembly appointed by the legislative management to serve as the committee chairman;
 - d. Six nonvoting members, including:
 - (1) The university of North Dakota vice president for finance and operations, or a designee of the vice president for finance and operations;
 - (2) The North Dakota state university vice president for finance and administration, or a designee of the vice president for finance and administration;

- 1 (3) Two representatives from regional four-year universities, including
- 2 dual-mission institutions, appointed by the state board of higher education;
- 3 and
- 4 (4) Two representatives from two-year colleges, including polytechnic
- 5 institutions, appointed by the state board of higher education.
- 6 2. The committee shall review funding methods for higher education in the state,
- 7 including the higher education funding formula, the university system capital building
- 8 fund, permanent funds distributions, property tax allocations, oil and gas gross
- 9 production and oil extraction tax revenue allocations, other statutory funds for higher
- 10 education and research, and other funding appropriated to institutions and entities
- 11 under the control of the state board of higher education.
- 12 3. The committee must receive and consider input from representatives of all higher
- 13 education institutions under the control of the state board of higher education.
- 14 4. The committee shall report its findings and recommendations to the legislative
- 15 management by September 1, 2026.

16 **SECTION 39. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL**
17 **PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-ninth legislative assembly
18 that wind energy technology and law enforcement courses be transferred to the career and
19 technical education instructional program classification within the higher education funding
20 formula.