

Sixty-ninth
Legislative Assembly
of North Dakota

**FIRST ENGROSSMENT
with House Amendments**

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 create and enact
3 four new sections to chapter 15-10 of the North Dakota Century Code, relating to dual-credit
4 courses, the professional student exchange program, presidential searches, and the state
5 commissioner of higher education; to amend and reenact subsection 2 of section 6-09-53,
6 subdivision 1 of section 15-10-17, subdivision c of subsection 1 of section 15-10-48,
7 subdivision c of subsection 1 of section 15-10-48.2, subdivision c of subsection 1 of section
8 15-10-49, subsection 1 of section 15-10-75, subsection 1 of the new section to chapter 15-10,
9 as created by section 1 of House Bill No. 1437, as approved by the sixty-ninth legislative
10 assembly, paragraph 3 of subdivision h of subsection 1 of section 15-18.2-02, subsection 2 of
11 section 15-18.2-03, subsection 1 of section 15-18.2-05, section 15-54.1-04, subsection 1 of
12 section 15-62.4-01, subsection 2 of section 15-62.5-03, and section 54-44.1-11 of the North
13 Dakota Century Code, relating to the powers and duties of the state board of higher education,
14 the economic diversification research fund, matching grants for the advancement of academics,
15 the workforce education innovation program, academic tenure policy at institutions of higher
16 education, state aid for institutions of higher education, university system capital building funds,
17 student financial assistance grants, the scholars program, and the cancellation of unexpended
18 appropriations; to amend and reenact sections 6 and 7 of chapter 126 of the 2021 Session
19 Laws, relating to transfers from the Bank of North Dakota to the skilled workforce loan
20 repayment program fund and the skilled workforce scholarship fund; to amend and reenact
21 sections 7, 8, and 9 of chapter 3 of the 2023 Session Laws, relating to transfers from the Bank
22 of North Dakota to the skilled workforce loan repayment program fund, the skilled workforce
23 scholarship fund, and to the state board of higher education for dual-credit tuition scholarships;

to amend and reenact subsection 17 of section 1 of chapter 550 of the 2021 Special Session Session Laws, relating to funding for hyperbaric oxygen therapy; to repeal section 15-10-74 of the North Dakota Century Code, relating to the naming of the Bismarck state college polytechnic center; to authorize the state board of higher education to issue and sell bonds for capital projects; to provide for a transfer; to provide for the conveyance of real property; to provide for a legislative management higher education funding review committee; to provide for a report; to provide legislative intent; to provide an exemption; and to provide for application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from other funds derived from special funds and federal funds, to the state board of higher education and to the entities and institutions under the supervision of the board for the purpose of defraying the expenses of the state board of higher education and the entities and institutions under the supervision of the board, for the period beginning with the effective date of this Act, and ending June 30, 2027, as follows:

Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Capital assets - bond payments	\$11,197,896	(\$936,521)	\$10,261,375
Competitive research programs	5,685,750	0	5,685,750
System governance	10,569,162	1,364,325	11,933,487
State employee child care benefits	0	910,000	910,000
Core technology services	71,988,917	9,335,156	81,324,073
Student financial assistance grants	29,917,306	2,000,000	31,917,306
Supplemental student financial assistance grants	0	5,000,000	5,000,000
Professional student exchange program	3,699,342	1,500,000	5,199,342
Academic and CTE scholarships	17,216,749	0	17,216,749
Scholars program	1,807,115	0	1,807,115

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1	Native American scholarship	1,000,000	0	1,000,000
2	Tribally controlled community	1,400,000	200,000	1,600,000
3	college grants			
4	Education incentive programs	260,000	0	260,000
5	Student mental health	284,400	0	284,400
6	Veterans' assistance grants	454,875	0	454,875
7	Shared campus services	800,000	0	800,000
8	Nursing education consortium	1,356,000	1,100,000	2,456,000
9	NASA EPSCoR	342,000	0	342,000
10	Education challenge fund	0	25,750,000	25,750,000
11	Workforce education innovation grants	0	12,000,000	12,000,000
12	Dual-credit tuition scholarship	<u>1,500,000</u>	<u>0</u>	<u>1,500,000</u>
13	Total all funds	\$159,479,512	\$58,222,960	\$217,702,472
14	Less other funds	<u>26,260,897</u>	<u>39,875,852</u>	<u>66,136,749</u>
15	Total general fund	\$133,218,615	\$18,347,108	\$151,565,723
16	Full-time equivalent positions	162.83	6.00	168.83

17 Subdivision 2.

18 BISMARCK STATE COLLEGE

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

27 Subdivision 3.

28 LAKE REGION STATE COLLEGE

29		Adjustments or		
30		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
31	Operations	\$41,913,733	\$2,418,065	\$44,331,798

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1	Capital assets	<u>362,667</u>	<u>3,200,000</u>	<u>3,562,667</u>
2	Total all funds	\$42,276,400	\$5,618,065	\$47,894,465
3	Less other funds	<u>26,601,597</u>	<u>931,171</u>	<u>27,532,768</u>
4	Total general fund	\$15,674,803	\$4,686,894	\$20,361,697
5	Full-time equivalent positions	120.59	(5.44)	115.15

6 Subdivision 4.

7 WILLISTON STATE COLLEGE

8			Adjustments or	
9		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10	Operations	\$37,378,349	\$2,423,802	\$39,802,151
11	Capital assets	<u>1,261,968</u>	<u>0</u>	<u>1,261,968</u>
12	Total all funds	\$38,640,317	\$2,423,802	\$41,064,119
13	Less other funds	<u>25,154,992</u>	<u>796,812</u>	<u>25,951,804</u>
14	Total general fund	\$13,485,325	\$1,626,990	\$15,112,315
15	Full-time equivalent positions	102.83	(3.09)	99.74

16 Subdivision 5.

17 UNIVERSITY OF NORTH DAKOTA

18			Adjustments or	
19		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20	Operations	\$967,725,670	\$64,041,426	\$1,031,767,096
21	Capital assets	4,411,566	124,500,000	128,911,566
22	Research network	<u>2,500,000</u>	<u>1,000,000</u>	<u>3,500,000</u>
23	Total all funds	\$974,637,236	\$189,541,426	\$1,164,178,662
24	Less other funds	<u>790,481,856</u>	<u>172,626,346</u>	<u>963,108,202</u>
25	Total general fund	\$184,155,380	\$16,915,080	\$201,070,460
26	Full-time equivalent positions	2,060.56	131.39	2,191.95

27 Subdivision 6.

28 UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

29			Adjustments or	
30		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
31	Operations	\$240,396,968	\$18,815,356	\$259,212,324

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1	Healthcare workforce initiative	<u>10,676,150</u>	<u>0</u>	<u>10,676,150</u>
2	Total all funds	\$251,073,118	\$18,815,356	\$269,888,474
3	Less other funds	<u>168,241,842</u>	<u>5,776,474</u>	<u>174,018,316</u>
4	Total general fund	\$82,831,276	\$13,038,882	\$95,870,158
5	Full-time equivalent positions	488.83	40.23	529.06

6 Subdivision 7.

7 NORTH DAKOTA STATE UNIVERSITY

8			Adjustments or	
9		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10	Operations	\$807,365,091	\$53,414,240	\$860,779,331
11	Capital assets	7,799,104	125,000,000	132,799,104
12	Research network	<u>2,500,000</u>	<u>1,000,000</u>	<u>3,500,000</u>
13	Total all funds	\$817,664,195	\$179,414,240	\$997,078,435
14	Less other funds	<u>653,917,430</u>	<u>171,772,791</u>	<u>825,690,221</u>
15	Total general fund	\$163,746,765	\$7,641,449	\$171,388,214
16	Full-time equivalent positions	1,867.50	(61.54)	1,805.96

17 Subdivision 8.

18 NORTH DAKOTA STATE COLLEGE OF SCIENCE

19			Adjustments or	
20		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21	Operations	\$102,490,255	\$6,921,477	\$109,411,732
22	Capital assets	<u>1,012,379</u>	<u>65,000</u>	<u>1,077,379</u>
23	Total all funds	\$103,502,634	\$6,986,477	\$110,489,111
24	Less other funds	<u>63,645,097</u>	<u>2,338,578</u>	<u>65,983,675</u>
25	Total general fund	\$39,857,537	\$4,647,899	\$44,505,436
26	Full-time equivalent positions	313.95	12.59	326.54

27 Subdivision 9.

28 DICKINSON STATE UNIVERSITY

29			Adjustments or	
30		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
31	Operations	\$56,728,746	\$3,370,815	\$60,099,561

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1	Capital assets	409,078	14,875,000	15,284,078
2	Total all funds	\$57,137,824	\$18,245,815	\$75,383,639
3	Less other funds	<u>32,697,829</u>	<u>13,758,716</u>	<u>46,456,545</u>
4	Total general fund	\$24,439,995	\$4,487,099	\$28,927,094
5	Full-time equivalent positions	178.00	(7.20)	170.80

6 Subdivision 10.

7 MAYVILLE STATE UNIVERSITY

8			Adjustments or	
9		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10	Operations	\$56,295,375	\$5,374,716	\$61,670,091
11	Capital assets	<u>358,992</u>	<u>34,924,814</u>	<u>35,283,806</u>
12	Total all funds	\$56,654,367	\$40,299,530	\$96,953,897
13	Less other funds	<u>34,375,971</u>	<u>36,760,335</u>	<u>71,136,306</u>
14	Total general fund	\$22,278,396	\$3,539,195	\$25,817,591
15	Full-time equivalent positions	226.92	0.00	226.92

16 Subdivision 11.

17 MINOT STATE UNIVERSITY

18			Adjustments or	
19		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20	Operations	\$116,510,048	\$5,701,181	\$122,211,229
21	Capital assets	<u>1,099,620</u>	<u>27,867,000</u>	<u>28,966,620</u>
22	Total all funds	\$117,609,668	\$33,568,181	\$151,177,849
23	Less other funds	<u>68,644,425</u>	<u>18,489,213</u>	<u>87,133,638</u>
24	Total general fund	\$48,965,243	\$15,078,968	\$64,044,211
25	Full-time equivalent positions	423.63	(2.47)	421.16

26 Subdivision 12.

27 VALLEY CITY STATE UNIVERSITY

28			Adjustments or	
29		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
30	Operations	\$56,008,906	\$1,499,518	\$57,508,424
31	Capital assets	<u>455,823</u>	<u>0</u>	<u>455,823</u>

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1	Total all funds	\$56,464,729	\$1,499,518	\$57,964,247
2	Less other funds	<u>28,111,916</u>	<u>1,421,115</u>	<u>29,533,031</u>
3	Total general fund	\$28,352,813	\$78,403	\$28,431,216
4	Full-time equivalent positions	211.94	5.50	217.44

5 Subdivision 13.

6 DAKOTA COLLEGE AT BOTTINEAU

7			Adjustments or	
8		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
9	Operations	\$26,229,141	\$1,249,697	\$27,478,838
10	Capital assets	<u>114,007</u>	<u>500,000</u>	<u>614,007</u>
11	Total all funds	\$26,343,148	\$1,749,697	\$28,092,845
12	Less other funds	<u>14,900,270</u>	<u>555,764</u>	<u>15,456,034</u>
13	Total general fund	\$11,442,878	\$1,193,933	\$12,636,811
14	Full-time equivalent positions	84.00	3.85	87.85

15 Subdivision 14.

16 NORTH DAKOTA FOREST SERVICE

17			Adjustments or	
18		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
19	Operations	\$24,874,803	\$1,942,413	\$26,817,216
20	Capital assets	<u>118,728</u>	<u>0</u>	<u>118,728</u>
21	Total all funds	\$24,993,531	\$1,942,413	\$26,935,944
22	Less other funds	<u>19,141,941</u>	<u>1,399,079</u>	<u>20,541,020</u>
23	Total general fund	\$5,851,590	\$543,334	\$6,394,924
24	Full-time equivalent positions	29.00	7.00	36.00

25 Subdivision 15.

26 TOTAL - SECTION 1

27			Adjustments or	
28		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
29	Grand total all funds	\$2,838,425,542	\$564,892,511	\$3,403,318,053
30	Grand total other funds	<u>2,026,743,016</u>	<u>470,953,816</u>	<u>2,497,696,832</u>
31	Grand total general fund	\$811,682,526	\$93,938,695	\$905,621,221

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:

<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
Capital projects - general fund	\$24,060,000	\$0	\$24,060,000
Capital projects - strategic investment and improvements fund	0	98,696,814	98,696,814
Capital projects - other funds	0	209,575,000	209,575,000
Williston state college health care program startup costs	1,490,000	0	1,490,000
University of North Dakota national security crossroads	0	24,000,000	24,000,000
High performance computing	2,000,000	0	2,000,000
North Dakota state university new horizon programming	0	24,000,000	24,000,000
Mayville state university campus security and salaries and wages	3,075,000	0	3,075,000
Minot state university advancing students toward education and employment	1,500,000	0	1,500,000
Dual-credit scholarships	0	1,500,000	1,500,000
Challenge grants	0	25,750,000	25,750,000
Nursing education consortium	0	1,100,000	1,100,000
Financial aid system enhancements	25,000	0	25,000
Workforce education innovation grants	0	12,000,000	12,000,000
Forest service emerald ash borer mitigation	<u>0</u>	<u>950,000</u>	<u>950,000</u>
Total	\$32,150,000	\$397,571,814	\$429,721,814

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. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The grand total other funds line item in subdivision 15 of section 1 of this Act includes \$186,496,814 from the strategic investment and improvements fund as follows:

Challenge grants	\$25,750,000
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	24,000,000
North Dakota state university new horizon programming	24,000,000
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	\$186,496,814

SECTION 6. 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 7. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - LAKE REGION 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 \$342,000 to the operations line item in subdivision 3 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 \$26,500,000 from the strategic investment and improvements fund to the university system capital building fund during the period beginning with the effective date of this Act, 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:

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	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
1 Bismarck state college	\$770,505	\$700,000	\$1,470,505
2 Lake Region state college	233,263	700,000	933,263
3 Williston state college	322,154	700,000	1,022,154
4 University of North Dakota	5,354,139	2,600,000	7,954,139
5 North Dakota state university	4,695,895	2,600,000	7,295,895
6 North Dakota state college of science	1,214,738	700,000	1,914,738
7 Dickinson state university	516,884	700,000	1,216,884
8 Mayville state university	332,070	700,000	1,032,070
9 Minot state university	906,412	700,000	1,606,412
10 Valley City state university	452,403	700,000	1,152,403
11 Dakota college at Bottineau	<u>201,537</u>	<u>700,000</u>	<u>901,537</u>
12 Total	\$15,000,000	\$11,500,000	\$26,500,000

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

17 Bismarck state college - student housing	\$1,400,000
18 University of North Dakota - science, technology, engineering, and 19 mathematics building	79,500,000
20 University of North Dakota - allied health facility phase I	45,000,000
21 Dickinson state university - Woods hall and agriculture and technical 22 education building projects	12,500,000
23 Minot state university - regional health sciences institute	13,000,000
24 North Dakota state university - university village replacement phase II	54,000,000
25 North Dakota state university - Van Es biosafety laboratory	8,000,000
26 Minot state university - regional health sciences institute	<u>13,000,000</u>
27 Total	\$226,400,000

SECTION 12. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT. During the biennium beginning July 1, 2025, and ending June 30, 2027, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek

1 assistance from the university system office for project management oversight of a capital
2 project.

3 **SECTION 13. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The state board of
4 higher education, in accordance with chapter 15-55, may arrange for the funding of projects
5 authorized in this section, declared to be in the public interest, through the issuance of
6 self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, during the period
7 beginning with the effective date of this Act, and ending June 30, 2027. Evidences of
8 indebtedness issued pursuant to this section are not a general obligation of the state of North
9 Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness
10 must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences
11 of indebtedness may be issued and the proceeds are appropriated in section 1 of this Act for
12 the following capital projects:

13 North Dakota state university - university village replacement phase II	\$54,000,000
14 North Dakota state university - memorial union renovation and addition and	50,000,000
15 related demolition of other facilities	
16 Dickinson state university - Woods hall, agriculture and technical education	12,500,000
17 building, and rodeo arena projects	
18 Minot state university - student center	<u>3,100,000</u>
19 Total special funds	\$119,600,000

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

- 22 2. In consultation with representatives of North Dakota state university and the university
23 of North Dakota, the Bank, in consultation with the state board of higher education,
24 shall award grants to institutions under the control of the state board of higher
25 education. The sum of ~~five million~~seven million two hundred thousand dollars must be
26 awarded to North Dakota state university and the university of North Dakota with equal
27 amounts awarded to each institution. The remaining funding must be awarded to the
28 other institutions under the control of the state board of higher education, as
29 determined by the board. The state board of higher education may not award more
30 than fifty percent of the available funding during the first year of the biennium. The

1 Bank of North Dakota shall distribute the grant funding as awarded by the state board
2 of higher education.

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

5 a. ~~Appoint~~Subject to section 24 of this Act, appoint and remove the president or
6 other faculty head, and the professors, instructors, teachers, officers, and other
7 employees of the several institutions under the board's control, fix the salaries for
8 those positions within the limits of legislative appropriations; and fix the terms of
9 office and prescribe the duties of the positions.

10 **SECTION 16. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North
11 Dakota Century Code is amended and reenacted as follows:

12 c. The board may award up to ~~two million seven hundred thousand~~three million
13 three hundred seventy-five thousand dollars in matching grants each to the
14 university of North Dakota and North Dakota state university; and up to ~~two-~~
15 ~~million two hundred thousand~~two million seven hundred fifty thousand dollars in
16 matching grants to the university of North Dakota school of medicine and health
17 sciences. Of the amount available to the university of North Dakota, two hundred
18 fifty thousand dollars must be awarded for projects dedicated to projects at the
19 school of law.

20 **SECTION 17. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48.2 of the
21 North Dakota Century Code is amended and reenacted as follows:

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

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

26 c. The board may award up to:
27 (1) ~~One million seven hundred thousand~~Two million one hundred twenty-five
28 thousand dollars each to Bismarck state college, Dickinson state university,
29 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, Lake Region state college, 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 create or enhance educational programs that address the workforce needs of North Dakota business and industry. An award made under this section may be used for curriculum development, equipment and technology purchases, facility modifications and equipment installation, hiring and training new and existing instructors, educational program promotion, and enhancement of postsecondary partnerships with primary and secondary schools. The state board of higher education shall establish a committee, guidelines, and application process for administration of the grant program established under this section.

SECTION 20. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Dual-credit courses.

The state board of higher education may not prohibit an institution under the control of the board from offering a dual-credit course in the county in which the institution's primary campus is located.

SECTION 21. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Professional student exchange program - Bank of North Dakota - Repayment.

1. The state board of higher education may not make a payment to an out-of-state institution on behalf of an individual participating in a professional student exchange program in veterinary medicine, dentistry, or optometry unless that individual signed a legally binding agreement with the state board of higher education which identifies the amount of the award under the professional student exchange program.

- 1 2. If the individual who signed the agreement under subsection 1 is not practicing
2 veterinary medicine, dentistry, or optometry in this state within thirty-six months
3 following graduation or of leaving the education program, the individual shall repay the
4 amount of the agreement in full at that time.
- 5 3. If the individual who signed the agreement under subsection 1 practices veterinary
6 medicine, dentistry, or optometry in this state within thirty-six months following
7 graduation, the state board of higher education shall reduce the amount of the
8 agreement by one-third for each full year the individual continues practicing in the
9 state. If the individual stops practicing in this state before the amount of the agreement
10 is waived in its entirety, the individual shall repay the remaining portion of the
11 agreement in full from the date the individual stopped practicing in the state.
- 12 4. If the individual who signed the agreement under subsection 1 departs before
13 graduation from a program in veterinary medicine, dentistry, or optometry, that
14 individual shall repay the amount of the agreement in full at the time of departure.
- 15 5. The Bank of North Dakota shall allow an individual who is required to repay all or a
16 portion of an agreement under this section to use one of the Bank's student loan
17 programs as an option for repayment, up to the amount certified by the state board of
18 higher education. To qualify under this subsection, the individual must meet student
19 loan credit criteria as established by the Bank.
- 20 6. The state board of higher education shall defer any repayment of an agreement
21 otherwise due under this section for the period of time the individual who signed the
22 agreement is pursuing full-time graduate or postdoctoral studies or is called to active
23 duty as a member of the armed forces. The repayment provisions under an agreement
24 signed under this section must provide for cancellation of the repayment requirements
25 if the individual dies or becomes permanently or totally disabled.
- 26 7. The state board of higher education shall adopt policies and procedures implementing
27 this section. The state board of higher education shall confirm eligibility to the Bank of
28 any individual who uses the Bank's student loan program to repay any outstanding
29 agreement amounts in full.

30 **SECTION 22.** A new section to chapter 15-10 of the North Dakota Century Code is created
31 and enacted as follows:

1 **Presidential searches.**

2 The state board of higher education is responsible for appointment of presidents at
3 institutions under the control of the board. Upon notification that the position of an institution
4 president will become vacant, the state board of higher education may authorize a search
5 committee to conduct a search for a new president. The state board of higher education may
6 retain the services of a consultant, determined and selected by the search committee, to assist
7 the search committee.

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

10 **State commissioner of higher education - Contract terms - Institution position.**

11 The state board of higher education may enter into a personnel contract with the state
12 commissioner of higher education. The personnel contract may provide for the commissioner to
13 become a faculty or staff member at an institution under the control of the state board of higher
14 education when the contract term is complete. The salaries and wages of a person who
15 becomes a faculty or staff member pursuant to this section must be paid from the appropriation
16 to the North Dakota university system office. The North Dakota university system office may not
17 assess institutions under the control of the state board of higher education to recover the cost of
18 the salaries and wages paid pursuant to this section.

19 **SECTION 24. AMENDMENT.** Subsection 1 of the new section to chapter 15-10 of the North
20 Dakota Century Code, as created by section 1 of House Bill No. 1437, as approved by the
21 sixty-ninth legislative assembly, is amended and reenacted as follows:

- 22 1. By July 1, 2026, institutions of higher education under the control of the state board of
23 higher education offering faculty academic tenure shall develop and adopt a policy for
24 tenured and tenure-track faculty employed by the institution, which:
- 25 a. Defines progression and advancement criteria at each stage of tenure
26 progression, including criteria for continued post-tenure review.
 - 27 b. Establishes a procedure for annual evaluation of all nontenure, tenure-track, and
28 tenured faculty by the president of the institution or the designee of the president.
 - 29 c. Establishes a procedure for post-tenure evaluations, which must be informed by
30 the annual evaluations under subdivision b and conducted by a committee
31 appointed by the president of the institution or the designee of the president. ~~The~~

1 ~~first post-tenure evaluation must be completed within three years. Subsequent~~
2 ~~post-tenure evaluations must be completed at least every five years or more~~
3 ~~frequently.~~

4 d. ~~Provides for the composition of a culminating post-tenure evaluation committee~~
5 ~~must include the administrative supervisor of the faculty member being~~
6 ~~evaluated, at least one ranking administrator, and tenured faculty comprising no~~
7 ~~less than one-third and no more than one-half of the committee to evaluate~~
8 ~~faculty members post-tenure within three years of being awarded tenure and~~
9 ~~every five years thereafter.~~

10 e. Defines the outcome of an unsatisfactory review of post-tenured faculty, which
11 may be removal from the position. The decision to remove faculty from a position
12 must be made by the employing institution and the state board of higher
13 education.

14 f. Is approved by the state board of higher education.

15 g. ~~Provides for a hearing and appeal process for a faculty member aggrieved by the~~
16 ~~policy adopted under this subsection or decision made by the committee under~~
17 ~~subdivision c.~~

18 **SECTION 25. AMENDMENT.** Paragraph 3 of subdivision h of subsection 1 of section
19 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

20 (3) ~~9-025-014.0~~ for professional level credits;

21 **SECTION 26. AMENDMENT.** Subsection 2 of section 15-18.2-03 of the North Dakota
22 Century Code is amended and reenacted as follows:

23 2. If the number of credit-hours completed by an institution would cause a decrease in
24 the credit completion factor for that institution compared to the credit completion factor
25 ~~the institution was entitled to receive during the 2017-19~~received during the prior
26 biennium, the state board of higher education shall multiply the product determined
27 under section 15-18.2-02 by a credit growth factor of 1.0 for credits in excess of the
28 factor the institution ~~was entitled to receive during the 2017-19~~received during the prior
29 biennium. Any weighted credit-hours multiplied by a credit growth factor under this
30 section must have a weight of 1.0 under section 15-18.2-02. The state board of higher
31 education shall multiply the remaining weighted credits by the credit completion factor

1 the institution ~~was entitled to receive during the 2017-19~~received during the prior
2 biennium.

3 **SECTION 27. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota
4 Century Code is amended and reenacted as follows:

- 5 1. Except as provided under subsections 2 and 3, to determine the state aid payment to
6 which each institution under its control is entitled, the state board of higher education
7 shall multiply the product determined under section 15-18.2-03 by a base amount of:
- 8 a. ~~\$73.15~~\$79.57 in the case of North Dakota state university and the university of
9 North Dakota;
- 10 b. ~~\$103.76~~\$111.55 in the case of Dickinson state university, Mayville state
11 university, Minot state university, and Valley City state university; and
- 12 c. ~~\$110.38~~\$119.91 in the case of Bismarck state college, Dakota college at
13 Bottineau, Lake Region state college, North Dakota state college of science, and
14 Williston state college.

15 **SECTION 28. AMENDMENT.** Section 15-54.1-04 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15-54.1-04. Tier III capital building funds - Matching requirements.**

18 The state board of higher education may allocate tier III capital building fund moneys to an
19 institution only after the institution, excluding the university of North Dakota and North Dakota
20 state university, provides two dollars one dollar of matching funds from operations or other
21 sources for each one dollar from the university system capital building fund for the project. The
22 state board of higher education may allocate tier III capital building fund moneys to the
23 university of North Dakota and North Dakota state university only after the institution provides
24 two dollars of matching funds from operations or other sources for each one dollar from the
25 university system capital building fund for the project. An institution may not use tier I
26 extraordinary repairs funding, tier II capital building fund moneys, or state funding appropriated
27 for a specific capital project as matching funds under this section.

28 **SECTION 29. AMENDMENT.** Subsection 1 of section 15-62.4-01 of the North Dakota
29 Century Code is amended and reenacted as follows:

- 30 1. a. Graduated from a high school in this state;
31 b. Graduated from a high school in a bordering state, pursuant to chapter 15.1-29;

- 1 c. Graduated from a nonpublic high school in a bordering state while residing with a
- 2 custodial parent in this state;
- 3 d. Completed a program of home education supervised in accordance with chapter
- 4 15.1-23; ~~or~~
- 5 e. Received a general educational development high school diploma from the
- 6 superintendent of public instruction; or
- 7 f. Is a resident student, as defined in section 15-10-19.1.

8 **SECTION 30. AMENDMENT.** Subsection 2 of section 15-62.5-03 of the North Dakota
9 Century Code is amended and reenacted as follows:

- 10 2. If two or more applicants have the same scores as determined in subsection 1, they
- 11 must be ranked by the numeric sum of their ~~four~~ scale scores on the ACT or
- 12 equivalent scores. If a nationally recognized standardized test approved by the state
- 13 board of higher education does not calculate scale scores, the equivalent will be zero.

14 **SECTION 31. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **54-44.1-11. Office of management and budget to cancel unexpended appropriations -**
17 **When they may continue. (Effective through July 31, ~~2025~~2027)**

18 Except as otherwise provided by law, the office of management and budget, thirty days after
19 the close of each biennial period, shall cancel all unexpended appropriations or balances of
20 appropriations after the expiration of the biennial period during which they became available
21 under the law. Unexpended appropriations for the state historical society are not subject to this
22 section and the state historical society shall report on the amounts and uses of funds carried
23 over from one biennium to the appropriations committees of the next subsequent legislative
24 assembly. Unexpended appropriations for the North Dakota university system are not subject to
25 this section and the North Dakota university system shall report on the amounts and uses of
26 funds carried over from one biennium to the next to subsequent appropriations committees of
27 the legislative assembly. The chairmen of the appropriations committees of the senate and
28 house of representatives of the legislative assembly with the office of the budget may continue
29 appropriations or balances in force for not more than two years after the expiration of the
30 biennial period during which they became available upon recommendation of the director of the
31 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, 2025~~2027~~)** 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 32. 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 ~~biennium~~period beginning July 1, 2021, and ending June 30, ~~2023~~2027.

SECTION 33. 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 ~~biennium~~period beginning July 1, 2021, and ending June 30, ~~2023~~2027.

SECTION 34. 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 ~~biennium~~period 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 35. 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 36. 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 37. 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~~2027.

SECTION 38. REPEAL. Section 15-10-74 of the North Dakota Century Code is repealed.

SECTION 39. 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 40. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.

Notwithstanding any other provisions of law, the state board of higher education may adjust

1 full-time equivalent positions as needed, subject to the availability of funds, for institutions and
2 entities under its control during the biennium beginning July 1, 2025, and ending June 30, 2027.
3 The North Dakota university system shall report any adjustments to the office of management
4 and budget as part of the submission of the 2027-29 biennium budget request.

5 **SECTION 41. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
6 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
7 the biennium beginning July 1, 2025, and ending June 30, 2027:

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

24 **SECTION 42. EXEMPTION - SALE OF PROPERTY AUTHORIZED - USE OF**
25 **PROCEEDS.** The state of North Dakota, by and through the state board of higher education,
26 may sell and convey certain real property located at the intersection of sixth avenue north and
27 forty-second street north, in the southeast corner, unplatted parts including the north half of the
28 northwest quarter of the southwest quarter of section 5, township 151 north, range 50,
29 estimated to include 20 acres, in the records of the city of Grand Forks. If any real property
30 authorized to be conveyed under this section is conveyed, the terms of conveyance must be
31 determined jointly by the state board of higher education or a designee of the board and the

1 commissioner of university and school lands. Sections 54-01-05.2 and 54-01-05.5 do not apply
2 to the transfers authorized by this section. Any proceeds from the sale of land pursuant to this
3 section may be used only for deferred maintenance and extraordinary repairs.

4 **SECTION 43. EXEMPTION - SALE OF PROPERTY AUTHORIZED - USE OF**

5 **PROCEEDS.** The state of North Dakota, by and through the state board of higher education,
6 may sell and convey certain real property located at the intersection of Demers avenue and
7 forty-second street north, in the northwest corner, known as 4201 James Ray drive, the south
8 east corner of lot 1, block 1, estimated to be 2.74 acres, in the records of the city of Grand
9 Forks. If any real property authorized to be conveyed under this section is conveyed, the terms
10 of conveyance must be determined jointly by the state board of higher education or a designee
11 of the board and the commissioner of university and school lands. Sections 54-01-05.2 and
12 54-01-05.5 do not apply to the transfers authorized by this section. Any proceeds from the sale
13 of land pursuant to this section may be used only for deferred maintenance and extraordinary
14 repairs.

15 **SECTION 44. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH**
16 **SCIENCES - UNIVERSITY OF NORTH DAKOTA PHYSICIAN ASSISTANT PROGRAM -**

17 **STUDENT RESIDENCY - REPORT.** The university of North Dakota shall develop and
18 implement student recruitment and acceptance strategies to increase the number of resident
19 students enrolled in the school of medicine and health sciences and to increase the number of
20 resident students enrolled in the physician assistant program, with a goal for eighty-five percent
21 of students enrolled at the school of medicine and health sciences and in the physician
22 assistant program to be residents of the state by the fall 2030 semester. The university of North
23 Dakota shall provide an annual report to the legislative management regarding strategies under
24 consideration and implemented to increase resident student enrollment in the school of
25 medicine and health sciences and in the physician assistant program, during the biennium
26 beginning July 1, 2025, and ending June 30, 2027.

27 **SECTION 45. HIGHER EDUCATION FUNDING REVIEW COMMITTEE - REPORT TO**
28 **THE LEGISLATIVE MANAGEMENT.**

- 29 1. During the 2025-26 interim, the higher education funding review committee is created
30 and composed of thirteen members as follows:

- 1 a. Two members of the house of representatives appointed by the majority leader of
- 2 the house of representatives and one member appointed by the minority leader
- 3 of the house of representatives;
- 4 b. Two members of the senate appointed by the majority leader of the senate and
- 5 one member appointed by the minority leader of the senate;
- 6 c. One member of the legislative assembly appointed by the legislative
- 7 management to serve as the committee chairman;
- 8 d. Six nonvoting members, including:
- 9 (1) The university of North Dakota vice president for finance and operations, or
- 10 a designee of the vice president for finance and operations;
- 11 (2) The North Dakota state university vice president for finance and
- 12 administration, or a designee of the vice president for finance and
- 13 administration;
- 14 (3) Two representatives from regional four-year universities, including
- 15 dual-mission institutions, appointed by the state board of higher education;
- 16 and
- 17 (4) Two representatives from two-year colleges, including polytechnic
- 18 institutions, appointed by the state board of higher education.
- 19 2. The committee shall review funding methods for higher education in the state,
- 20 including the higher education funding formula, the university system capital building
- 21 fund, permanent funds distributions, property tax allocations, oil and gas gross
- 22 production and oil extraction tax revenue allocations, other statutory funds for higher
- 23 education and research, and other funding appropriated to institutions and entities
- 24 under the control of the state board of higher education.
- 25 3. The committee must receive and consider input from representatives of all higher
- 26 education institutions under the control of the state board of higher education.
- 27 4. The committee shall report its findings and recommendations to the legislative
- 28 management by September 1, 2026.

29 **SECTION 46. PRAXIS CORE TESTING PERFORMANCE - LEGISLATIVE**

30 **MANAGEMENT REPORT.** The legislative management shall request a report during the

31 2025-26 interim from the association of colleges for teacher education regarding a study of the

1 praxis core testing performance of student teachers who used grades and exams to
2 demonstrate reading, writing, and mathematics competencies.

3 **SECTION 47. STATE BOARD OF HIGHER EDUCATION STUDY AND REPORT -**
4 **COMMISSIONER OF HIGHER EDUCATION - LEGISLATIVE INTENT - 2027-29 BIENNIUM**
5 **BUDGET.**

- 6 1. The state board of higher education shall study the costs and benefits of a system of
7 higher education led by a chancellor compared to a commissioner during the 2025-26
8 interim. The state board of higher education shall report its findings and
9 recommendations, including any legislation required to implement the
10 recommendations, to the seventieth legislative assembly.
- 11 2. It is the intent of the sixty-ninth legislative assembly that:
 - 12 a. The state board of higher education appoint a state commissioner of higher
13 education in compliance with chapter 15-10 of the North Dakota Century Code
14 and subsection 7 of section 6 of article VIII of the Constitution of North Dakota.
 - 15 b. The state commissioner of higher education position be filled by February 1,
16 2026.
 - 17 c. The seventieth legislative assembly reduce the general fund appropriation for the
18 North Dakota university system office, for the biennium beginning July 1, 2027,
19 and ending June 30, 2029, by two percent for each month after February 1, 2026,
20 the state commissioner of higher education position remains vacant.

21 **SECTION 48. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL**
22 **PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-ninth legislative assembly
23 that wind energy technology and law enforcement courses be transferred to the career and
24 technical education instructional program classification within the higher education funding
25 formula.

26 **SECTION 49. LEGISLATIVE INTENT - UNIVERSITY OF NORTH DAKOTA SCHOOL OF**
27 **MEDICINE AND HEALTH SCIENCES - ALLIED HEALTH FACILITY.** It is the intent of the
28 sixty-ninth legislative assembly that an allied health facility expansion be completed at the
29 university of North Dakota school of medicine and health sciences. It is further the intent of the
30 sixty-ninth legislative assembly that the seventieth legislative assembly consider supporting the

1 completion of the allied health facility project at the university of North Dakota school of
2 medicine and health sciences.

3 **SECTION 50. LEGISLATIVE INTENT - SEPARATION AGREEMENTS.** It is the intent of the
4 sixty-ninth legislative assembly that the state board of higher education not enter into any
5 separation or early retirement agreements with a cost to the state or the institutions under the
6 control of the state board of higher education during the biennium beginning July 1, 2025, and
7 ending June 30, 2027.

8 **SECTION 51. TUITION RATE INCREASE LIMITATIONS.**

- 9 1. Except as provided in this section, notwithstanding any other provision of law, the state
10 board of higher education may not increase tuition rates for resident students
11 attending institutions of higher education under its control during the 2025-26
12 academic year by more than four percent as compared to the tuition rate in effect
13 during the 2025 spring semester.
- 14 2. Except as provided in this section, notwithstanding any other provision of law, the state
15 board of higher education may not increase tuition rates for resident students
16 attending institutions of higher education under its control during the 2026-27
17 academic year by more than four percent as compared to the tuition rate in effect
18 during the 2026 spring semester.
- 19 3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and
20 for graduate level programs, including programs offered through the university of North
21 Dakota school of medicine and health sciences, the university of North Dakota school
22 of law, or the North Dakota state university school of pharmacy, may be increased by
23 up to five percent for the 2025-26 academic year as compared to the tuition rate in
24 effect during the 2025 spring semester.
- 25 4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and
26 for graduate level programs, including programs offered through the university of North
27 Dakota school of medicine and health sciences, the university of North Dakota school
28 of law, or the North Dakota state university school of pharmacy, may be increased by
29 up to five percent for the 2026-27 academic year as compared to the tuition rate in
30 effect during the 2026 spring semester.

- 1 5. This section does not apply to tuition rates for nonresident students attending
- 2 institutions of higher education under the control of the state board of higher
- 3 education. For purposes of this section, the residency of students for tuition purposes
- 4 must be determined under section 15-10-19.1.
- 5 6. This section does not apply to tuition rates determined under tuition reciprocity
- 6 agreements entered into by the state board of higher education with other states or
- 7 state education compacts.
- 8 7. For purposes of this section, an institution must calculate a resident tuition rate
- 9 increase based on the tuition rate paid by an average full-time resident student.

10 **SECTION 52. APPLICATION.** Section 21 of this Act applies to individuals initially entering a

11 professional student exchange program in veterinary medicine, dentistry, or optometry after

12 June 30, 2026.