INITIATED MEASURE, **DISAPPROVED**

CHAPTER 703

JUNIOR COLLEGE CONTROL

An initiated measure to require the State Board of Higher Education to give up control and financial reponsibility over Bismarck Junior College, Lake Region Community College at Devils Lake, and the University of North Dakota - Williston Center.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF NORTH DAKOTA:

SECTION 1. The State Board of Higher Education shall not assume jurisdiction acquired under section 15-10-01.1 of the North Dakota Century Code, over all junior colleges and off-campus education centers that were established under Chapter 15-18 of the North Dakota Century Code, and all off-campus educational centers that were established under section 15-18-04.1 of the North Dakota Century Code. The board shall cease all negotiations with the governing bodies of these institutions for the transfer of the institutions' managerial responsibilities, real property and other assets to the state. If jurisdiction has been assumed by the board over all junior colleges and off-campus education centers acquired under section 15-10-01.1 of the North Dakota Century Code, the board shall relinquish jurisdiction to the original governing bodies of these institutions. If the transfer to the state has been completed, the board shall transfer the institutions' managerial responsibilities, real property and other assets, back to the original governing bodies of these institutions under the same terms and conditions of the original acquisition. Upon the transfer of all junior college or off-campus educational center responsibilities and property from the board to the original governing bodies of these institutions, the state board of higher education shall no longer maintain any financial or managerial responsibilities for Bismarck junior college, Lake Region community college or the university of North Dakota - Williston Center.

SECTION 2. AMENDMENT. Section 15-10-01 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-10-01. State board of higher eduction - Institutions administered by board. The state board of higher eduction shall have the control and administration of the following state educational institutions:

- The state university and the school of mines at Grand Forks, with their substations.
- The North Dakota state university of agriculture and applied science and the experiment station at Fargo, with their substations.
- 3. The school of science at Wahpeton.
- The state normal schools and teachers colleges at Valley City, Mayville, Minot, and Dickinson.
- 5. The school of forestry at Bottineau.
- And such other state institutions of higher education as may be established.

SECTION 3. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

Community colleges authorized. The school board of any public school district comprising any city of the state having a population of more than five thousand, when authorized by a two-thirds vote of the electors voting thereon, may establish and maintain, in conjunction with the high school of the district, a department of community college work to consist of not more than two years of work beyond a four-year high school course.

SECTION 4. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

Election to establish community college. The establishment and maintenance of a department of community college work may be authorized only at an election held pursuant to ten days' notice stating the time and place of the election and that such proposition is to be submitted to a vote at the election.

SECTION 5. AMENDMENT. Section 15-18-03 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-18-03. Tuition and fees in community college - Use of tuition and fee revenue - Duty of school board - Tax levy authorized - Maintenance of community college. On or before August fifteenth in each year, the school board of a public school district which maintains a community college shall determine the rate of tuition and fees required to be paid by all students attending the college, and these tuition and fee charges may be at a different rate for the students nonresident in the district than for the students resident in the district. The school board may adopt rules for classifying students as residents or nonresidents of the district for tuition purposes. Tuition and fee revenue may be used to retire bonds issued in accordance with section 15-55-18. Every public school district maintaining a community college under this chapter may levy a tax of not to exceed

sixteen mills, the proceeds of which shall be used for the maintenance and operation of the college. Of the sixteen mills which may be levied pursuant to this section, the first eight mills shall be levied upon the resolution of the local school board. Any mills to be levied above the initial eight mills must first be approved by the voters of the district. When submitting the question at the election, the board may specify a levy of less than the additional eight-mill limit authorized, and if the limited levy is approved by the voters, subsequent levies may not exceed the limited levy without another election authorizing a greater levy. No election may ever authorize a greater aggregate levy under this section than sixteen mills. The tax levy for the support of a community college shall be in addition to all other levies authorized by law for such school districts, and the proceeds of the levy shall be used exclusively for the support, operation, and maintenance of a community college.

SECTION 6. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

Community college boards of control - Expenditures - Budget - Members - Terms - Compensation. The school board of any public school district maintaining a community college may appoint a board of control to direct the management and operation of the community college. The board of control may employ teachers and other personnel, prescribe courses of study, and purchase equipment and supplies and generally manage the community college. The board of control shall prepare and submit to the school board an annual budget for the operation of the community college and may approve the expenditure of funds, within the limitations of the budget, and perform such other functions as the school board may prescribe. The school board may approve, amend, or deny any decision made by the board of control. The board of control may appoint a secretary to keep the minutes and records of the board.

The board of control shall consist of five members. Each member of the board shall hold office subject to removal at the pleasure of the school board for a term of five years except that the five members first appointed under the authority of this section shall be appointed for the following terms: One for one year, one for two years, one for three years, one for four years, and one for five years as designated by the members of the school board. Any appointment to fill a vacancy shall be for the unexpired portion of the term. Members of the board of control shall serve without pay, but they may receive reimbursement for actual and necessary expenses incurred in the performance of their duties in the same manner and amounts as members of the school board.

SECTION 7. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

Supervision of community colleges. The state board of higher education shall prepare and publish from time to time academic standards for community colleges, provide for their inspection, and

recommend for accrediting the academic courses of study which meet the prescribed standards. The state board of vocational education shall perform the same function as to trade courses offered by community colleges and shall prepare and publish from time to time vocational standards for community colleges, provide for their inspection, and make recommendations for accrediting the vocational courses which meet the prescribed standards.

SECTION 8. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

Establishment of off-campus education center - Tuition and fees - Use of tuition and fee revenue. The school board of any school district which includes a city having a population of more than seven thousand five hundred, may enter into an agreement with a state-supported institution of higher education for the establishment and maintenance of an off-campus educational center offering college or university level courses, provided the agreement is approved by the state board of higher education. The school shall determine the tuition and fees to be paid by all students attending the off-campus educational center, regardless of their residence, and these charges may be at a different rate for the students nonresident in the district than for students resident in the district. Tuition and fee revenue may be used to retire bonds issued in accordance with section 15-55-18.

SECTION 9. AMENDMENT. Section 15-18-04.2 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-18-04.2. Tax levy for off-campus educational facilities - Election. For the purpose of maintaining and operating an off-campus educational center the school board may levy, upon its own resolution, eight mills. If it is found, after the board by resolution has levied its maximum eight mills, that additional funds are needed, the board may submit the question of an additional levy not to exceed eight mills, to the electors of the district at any regular or special school election within the district. If approved by sixty percent of the electors voting, the school board may proceed with the levy and collection of the tax. The total mills levied under this section may not exceed sixteen. The levy shall be in addition to all other mill levy limitations provided by law, and the proceeds shall be placed in a separate fund, accounted for separately, and used exclusively for the support, operation, and maintenance of the off-campus educational center. Expenditures may be made by the school board without going through the institution of higher education with whom an agreement has been entered.

SECTION 10. AMENDMENT. Section 15-18-05 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-18-05. County levy to aid community college or educational center authorized. The board of county commissioners of any county, or part

of a county, in which a community college or off-campus educational center of a state-supported institution of higher education has been established, or any county, or part of a county, adjacent thereto, may upon approval of the electors of such county at a countywide election, levy a tax of not exceeding five mills upon all property in the county, to aid any special school district having established a community college or off-campus educational center of a state-supported institution of higher education. The levy authorized by this section is over and above any mill levy limitation provided by law. After the approval of such levy, upon petition of five percent of the electors voting in the last preceding countywide election, the county commissioners shall submit the question to the continuance of the levy to the next countywide election, and if the majority of the electors vote to discontinue such levy, the levy shall be discontinued in subsequent years.

SECTION 11. AMENDMENT. Section 15-18-06 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-18-06. Proceeds of levy to be certified to special school district. The proceeds of any tax levy hereby authorized shall be certified quarterly to the clerk of any special school district having established a community college or off-campus educational center of a state-supported institution of higher education and shall be placed in a special community college fund or an off-campus center fund and shall be expended for the acquisition of property, construction, maintenance, and the operation of the community college or educational center of a state-supported institution of higher education.

 $\,$ SECTION 12. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

State aid for community colleges or educational centers. Each school district maintaining a community college or educational center operated by a state-supported institution of higher education meeting the standards and eligibility requirements prescribed in section 13 of this Act shall have appropriated on its behalf such amounts as are determined necessary by the legislative assembly, if the school district, city, or county shall levy taxes of not less than eight mills for the support of the community college or educational center in accordance with section 15-18-03, 15-18-04.2, or 15-18-05. Community colleges shall operate within the limits of their legislative appropriation. Before estimated income in excess of that included in the legislative appropriation acts can be spent by the community college, and before transfers between line items in the legislative appropriation acts can be made, the community college must receive emergency commission approval.

SECTION 13. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

Standards for state aid - Review of budgets - Audit of expenditures. school district maintaining a community college or educational center operated by a state-supported institution of higher education may receive payments as provided in section 12 of this Act or as otherwise specifically provided by law unless it was established and eligible to receive such payments on July 1, 1969, and meets either the academic standards prescribed by the state board of higher education or the vocational standards as prescribed by the state board of vocational education. The state board of higher education shall provide for an annual inspection of each community college educational center operated by a state-supported institution of higher education to determine compliance with prescribed academic standards, and the state board of vocational education shall provide for an annual inspection of each community college or educational center operated by a state-supported institution of higher education to determine compliance with prescribed vocational standards. school district maintaining a community college or educational center shall annually submit a proposed institutional budget to the state board of public school education. The state board of public school education shall review such budgets, and the staff of the state board of vocational education shall provide such professional and clerical assistance as is required for such review. Two copies of each proposed biennial institutional budget, in the same format as prescribed by the office of the budget for the colleges and universities under the state board of higher education, shall also be submitted to the office of the legislative council for the information of the appropriations committees of the legislative assembly. In addition, each school district maintaining a community college or educational center shall at least biennially provide the legislative audit and fiscal review committee with an official audit of its expenditures and activities.

SECTION 14. A new section to chapter 15-18 of the North Dakota Century Code is hereby created and enacted to read as follows:

Method of payment. The chief administrative officer of each community college or educational center operated by a state-supported institution of higher eduction claiming state aid payments under section 12 of this Act, shall file vouchers with the office of management and budget to receive funds from its legislative appropriation. Other than amounts necessary to maintain operating cash balances, the community colleges must expend appropriated local funds before requesting revenues from the appropriated state moneys.

SECTION 15. AMENDMENT. Section 15-55-18 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-55-18. Bond issue for community colleges and off-campus educational centers. The school board of a school district having a community college or off-campus educational center as provided in chapter 15-18 may issue and sell tax-exempt bonds in an amount limited to

the cost of purchasing or constructing buildings, adding to or repairing or renovating existing buildings, furnishing or equipping these buildings, or operating and maintaining these buildings for its community college or off-campus educational center students. The total principal amount of the bonds may not exceed four million dollars. The bonds authorized by this section shall be retired from revenues of the buildings and facilities purchased or constructed under this section. The school board may also use tuition and fee revenue to retire these bonds. These bonds shall not become the general obligation of the school district or the state.

SECTION 16. REPEAL. Section 15-10-01.1 of the 1983 Supplement to the North Dakota Century Code and section 14 of chapter 192 of the 1983 Session Laws are hereby repealed.

Disapproved November 6, 1984

107,357 to 182,989

NOTE: This was measure No. 4 on the general election ballot.