

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota  
2 university system; to create and enact a new section to chapter 15-10 of the North Dakota  
3 Century Code, relating to the assessment of institutions of higher education; to amend and  
4 reenact sections 15-10-47; and 15-62.2-02, and ~~15.1-21-02.6~~ subsection 2 of section 15-70-04,  
5 and section 54-44.1-11 of the North Dakota Century Code, relating to construction project  
6 variance reports, student financial assistance grants, ~~and the North Dakota scholarship tribally~~  
7 controlled community college grants, and the cancellation of unexpended appropriations; to  
8 provide an exemption; to provide for transfer of funds; to authorize the state board of higher  
9 education to issue and sell bonds for capital projects; to provide for budget section reports; and  
10 to declare an emergency.

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

12 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
13 as may be necessary, are appropriated out of any moneys in the general fund in the state  
14 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
15 other income to the North Dakota university system office and to the various entities and  
16 institutions under the supervision of the state board of higher education for the purpose of  
17 defraying the expenses of the North Dakota university system office and to the various entities  
18 for the biennium beginning July 1, 2013, and ending June 30, 2015, as follows:

19 Subdivision 1.

20 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
21				
22				
23	Capital assets - <u>Bond payments</u>	\$12,204,769	(\$1,768,724)	\$10,436,045
24	Competitive research program	7,050,000	0	7,050,000

Sixty-third  
Legislative Assembly

1	<del>System governance</del>	<del>7,349,806</del>	<del>3,283,522</del>	<del>10,633,328</del>
2	<u>System governance</u>	<u>7,349,806</u>	<u>1,527,502</u>	<u>8,877,308</u>
3	Title II	1,006,472	0	1,006,472
4	System information technology services	36,006,667	2,786,279	38,792,946
5	<del>Professional liability insurance</del>	<del>800,000</del>	<del>0</del>	<del>800,000</del>
6	<u>Professional liability insurance</u>	<u>800,000</u>	<u>(800,000)</u>	<u>0</u>
7	Student financial assistance grants	19,025,594	2,220,085	21,245,679
8	<del>Professional student exchange program</del>	<del>3,321,438</del>	<del>781,609</del>	<del>4,103,047</del>
9	<u>Professional student exchange program</u>	<u>3,321,438</u>	<u>953,577</u>	<u>4,275,015</u>
10	Academic and technical education	10,000,000	3,700,000	13,700,000
11	scholarships			
12	Two-year campus marketing	800,000	0	800,000
13	Scholars program	2,113,584	0	2,113,584
14	Native American scholarships	574,267	75,000	649,267
15	Tribally controlled community college grants	1,000,000	0	1,000,000
16	Education incentive programs	3,176,344	172,656	3,349,000
17	Deferred maintenance pool	0	10,000,000	10,000,000
18	<del>Master plan and space utilization study</del>	<del>0</del>	<del>1,000,000</del>	<del>1,000,000</del>
19	Student mental health	0	282,520	282,520
20	<del>Education challenge fund</del>	<del>0</del>	<del>30,000,000</del>	<del>30,000,000</del>
21	<del>New program startup pool</del>	<del>0</del>	<del>1,500,000</del>	<del>1,500,000</del>
22	<del>Total all funds</del>	<del>\$104,428,941</del>	<del>\$54,032,947</del>	<del>\$158,461,888</del>
23	<u>Education challenge fund</u>	<u>0</u>	<u>30,000,000</u>	<u>30,000,000</u>
24	<u>Total all funds</u>	<u>\$104,428,941</u>	<u>\$49,148,895</u>	<u>\$153,577,836</u>
25	Less estimated income	<u>3,056,229</u>	<u>(756,317)</u>	<u>2,299,912</u>
26	<del>Total general fund</del>	<del>\$101,372,712</del>	<del>\$54,789,264</del>	<del>\$156,161,976</del>
27	<del>Full-time equivalent positions</del>	<del>100.31</del>	<del>7.00</del>	<del>107.31</del>
28	<u>Total general fund</u>	<u>\$101,372,712</u>	<u>\$49,905,212</u>	<u>\$151,277,924</u>
29	<u>Full-time equivalent positions</u>	<u>100.31</u>	<u>0.00</u>	<u>100.31</u>

Subdivision 2.

BISMARCK STATE COLLEGE

Sixty-third  
Legislative Assembly

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
1			
2			
3	Operations	\$7,368,548	\$34,996,862
4	Capital assets	<u>13,300,000</u>	<u>13,717,673</u>
5	Total all funds	\$20,668,548	\$48,714,535
6	Less estimated income	<u>0</u>	<u>0</u>
7	Total general fund	\$20,668,548	\$48,714,535
8	Full-time equivalent positions	4.00	130.96
9	Subdivision 3.		

LAKE REGION STATE COLLEGE

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
11			
12			
13	Operations	\$4,250,594	\$13,254,208
14	Capital assets	<u>5,947,562</u>	<u>6,102,929</u>
15	Total all funds	\$10,198,156	\$19,357,137
16	Less estimated income	<u>0</u>	<u>0</u>
17	Total general fund	\$10,198,156	\$19,357,137
18	Full-time equivalent positions	3.00	43.22
19	Subdivision 4.		

WILLISTON STATE COLLEGE

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21			
22			
23	Operations	\$1,097,278	\$9,946,963
24	Capital assets	<u>14,042,478</u>	<u>14,240,279</u>
25	Total all funds	\$15,139,756	\$24,187,242
26	Less estimated income	<u>0</u>	<u>0</u>
27	Total general fund	\$15,139,756	\$24,187,242
28	Full-time equivalent positions	6.00	50.15
29	Subdivision 5.		

UNIVERSITY OF NORTH DAKOTA

Sixty-third  
Legislative Assembly

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
1				
2				
3	Operations	\$140,457,484	\$18,447,364	\$158,904,848
4	<del>Capital assets</del>	<del>4,411,566</del>	<del>147,787,262</del>	<del>152,198,828</del>
5	<del>Total all funds</del>	<del>\$144,869,050</del>	<del>\$166,234,626</del>	<del>\$311,103,676</del>
6	<del>Less estimated income</del>	<del>0</del>	<del>67,487,262</del>	<del>67,487,262</del>
7	<u>Capital assets</u>	<u>4,411,566</u>	<u>176,787,262</u>	<u>181,198,828</u>
8	<u>Total all funds</u>	<u>\$144,869,050</u>	<u>\$195,234,626</u>	<u>\$340,103,676</u>
9	<u>Less estimated income</u>	<u>0</u>	<u>96,487,262</u>	<u>96,487,262</u>
10	Total general fund	\$144,869,050	\$98,747,364	\$243,616,414
11	Full-time equivalent positions	642.20	0.00	642.20
12	Subdivision 6.			

NORTH DAKOTA STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
14				
15				
16	Operations	\$125,015,305	\$19,272,934	\$144,288,239
17	<del>Capital assets</del>	<del>2,732,244</del>	<del>68,759,356</del>	<del>71,491,600</del>
18	<del>Total all funds</del>	<del>\$127,747,549</del>	<del>\$88,032,290</del>	<del>\$215,779,839</del>
19	<del>Less estimated income</del>	<del>0</del>	<del>39,159,356</del>	<del>39,159,356</del>
20	<u>Capital assets</u>	<u>2,732,244</u>	<u>69,419,356</u>	<u>72,151,600</u>
21	<u>Total all funds</u>	<u>\$127,747,549</u>	<u>\$88,692,290</u>	<u>\$216,439,839</u>
22	<u>Less estimated income</u>	<u>0</u>	<u>39,819,356</u>	<u>39,819,356</u>
23	Total general fund	\$127,747,549	\$48,872,934	\$176,620,483
24	Full-time equivalent positions	495.21	0.00	495.21
25	Subdivision 7.			

NORTH DAKOTA STATE COLLEGE OF SCIENCE

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
27				
28				
29	Operations	\$34,186,542	\$6,791,805	\$40,978,347
30	Capital assets	1,012,379	9,861,452	10,873,831
31	Total all funds	\$35,198,921	\$16,653,257	\$51,852,178

Sixty-third  
Legislative Assembly

1	Less estimated income	<u>0</u>	<u>1,350,000</u>	<u>1,350,000</u>
2	Total general fund	\$35,198,921	\$15,303,257	\$50,502,178
3	Full-time equivalent positions	171.87	1.75	173.62
4	Subdivision 8.			

DICKINSON STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
8	<del>Operations</del>	<del>\$22,383,539</del>	<del>\$5,290,197</del>	<del>\$27,673,736</del>
9	<u>Operations</u>	<u>\$22,383,539</u>	<u>\$6,290,197</u>	<u>\$28,673,736</u>
10	Capital assets	409,078	<u>0</u>	<u>409,078</u>
11	<del>Total all funds</del>	<del>\$22,792,617</del>	<del>\$5,290,197</del>	<del>\$28,082,814</del>
12	<u>Total all funds</u>	<u>\$22,792,617</u>	<u>\$6,290,197</u>	<u>\$29,082,814</u>
13	Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
14	<del>Total general fund</del>	<del>\$22,792,617</del>	<del>\$5,290,197</del>	<del>\$28,082,814</del>
15	<u>Total general fund</u>	<u>\$22,792,617</u>	<u>\$6,290,197</u>	<u>\$29,082,814</u>
16	Full-time equivalent positions	100.32	5.00	105.32
17	Subdivision 9.			

MAYVILLE STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
21	Operations	\$12,775,788	\$2,617,878	\$15,393,666
22	Capital assets	<u>358,992</u>	<u>8,067,000</u>	<u>8,425,992</u>
23	Total all funds	\$13,134,780	\$10,684,878	\$23,819,658
24	Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
25	Total general fund	\$13,134,780	\$10,684,878	\$23,819,658
26	Full-time equivalent positions	62.78	3.00	65.78
27	Subdivision 10.			

MINOT STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
30				

Sixty-third  
Legislative Assembly

1	<del>Operations</del>	<del>\$37,838,974</del>	<del>\$4,725,919</del>	<del>\$42,564,893</del>
2	<u>Operations</u>	<u>\$37,838,974</u>	<u>\$9,725,919</u>	<u>\$47,564,893</u>
3	Capital assets	<u>899,620</u>	<u>13,623,690</u>	<u>14,523,310</u>
4	<del>Total all funds</del>	<del>\$38,738,594</del>	<del>\$18,349,609</del>	<del>\$57,088,203</del>
5	<u>Total all funds</u>	<u>\$38,738,594</u>	<u>\$23,349,609</u>	<u>\$62,088,203</u>
6	Less estimated income	<u>0</u>	<u>11,801,785</u>	<u>11,801,785</u>
7	<del>Total general fund</del>	<del>\$38,738,594</del>	<del>\$6,547,824</del>	<del>\$45,286,418</del>
8	<u>Total general fund</u>	<u>\$38,738,594</u>	<u>\$11,547,824</u>	<u>\$50,286,418</u>
9	Full-time equivalent positions	201.76	3.00	204.76

10 Subdivision 11.

11 VALLEY CITY STATE UNIVERSITY

12			Adjustments or	
13		Base Level	Enhancements	Appropriation
14	Operations	\$17,694,741	\$4,410,281	\$22,105,022
15	<del>Capital assets</del>	<del>408,319</del>	<del>8,949,103</del>	<del>9,357,422</del>
16	<del>Total all funds</del>	<del>\$18,103,060</del>	<del>\$13,359,384</del>	<del>\$31,462,444</del>
17	<u>Capital assets</u>	<u>408,319</u>	<u>9,199,103</u>	<u>9,607,422</u>
18	<u>Total all funds</u>	<u>\$18,103,060</u>	<u>\$13,609,384</u>	<u>\$31,712,444</u>
19	Less estimated income	<u>0</u>	<u>4,806,837</u>	<u>4,806,837</u>
20	<del>Total general fund</del>	<del>\$18,103,060</del>	<del>\$8,552,547</del>	<del>\$26,655,607</del>
21	<u>Total general fund</u>	<u>\$18,103,060</u>	<u>\$8,802,547</u>	<u>\$26,905,607</u>
22	Full-time equivalent positions	97.29	3.00	100.29

23 Subdivision 12.

24 DAKOTA COLLEGE AT BOTTINEAU

25			Adjustments or	
26		Base Level	Enhancements	Appropriation
27	Operations	\$6,489,750	\$1,886,639	\$8,376,389
28	<del>Capital assets</del>	<del>115,507</del>	<del>7,996,389</del>	<del>8,111,896</del>
29	<del>Total all funds</del>	<del>\$6,605,257</del>	<del>\$9,883,028</del>	<del>\$16,488,285</del>
30	<u>Capital assets</u>	<u>115,507</u>	<u>8,836,389</u>	<u>8,951,896</u>
31	<u>Total all funds</u>	<u>\$6,605,257</u>	<u>\$10,723,028</u>	<u>\$17,328,285</u>

Sixty-third  
Legislative Assembly

1	Less estimated income	<u>0</u>	<u>7,600,789</u>	<u>7,600,789</u>
2	<del>Total general fund</del>	<del>\$6,605,257</del>	<del>\$2,282,239</del>	<del>\$8,887,496</del>
3	<u>Total general fund</u>	<u>\$6,605,257</u>	<u>\$3,122,239</u>	<u>\$9,727,496</u>
4	Full-time equivalent positions	36.12	4.00	40.12
5	Subdivision 13.			
6	UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES			
7			Adjustments or	
8		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
9	<del>Operations</del>	<del>\$47,747,971</del>	<del>\$7,414,806</del>	<del>\$55,162,777</del>
10	<del>Total all funds</del>	<del>\$47,747,971</del>	<del>\$7,414,806</del>	<del>\$55,162,777</del>
11	<u>Operations</u>	<u>\$47,747,971</u>	<u>\$8,214,806</u>	<u>\$55,962,777</u>
12	<u>Total all funds</u>	<u>\$47,747,971</u>	<u>\$8,214,806</u>	<u>\$55,962,777</u>
13	Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
14	<del>Total general fund</del>	<del>\$47,747,971</del>	<del>\$7,414,806</del>	<del>\$55,162,777</del>
15	<u>Total general fund</u>	<u>\$47,747,971</u>	<u>\$8,214,806</u>	<u>\$55,962,777</u>
16	Full-time equivalent positions	156.55	0.00	156.55
17	Subdivision 14.			
18	NORTH DAKOTA FOREST SERVICE			
19			Adjustments or	
20		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21	Operations	\$5,514,681	\$758,131	\$6,272,812
22	Capital assets	<u>97,791</u>	<u>788,419</u>	<u>886,210</u>
23	Total all funds	\$5,612,472	\$1,546,550	\$7,159,022
24	Less estimated income	<u>1,650,000</u>	<u>0</u>	<u>1,650,000</u>
25	Total general fund	\$3,962,472	\$1,546,550	\$5,509,022
26	Full-time equivalent positions	28.00	1.00	29.00
27	Subdivision 15.			
28	BILL TOTAL			
29			Adjustments or	
30		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
31	<del>Grand total all funds</del>	<del>\$611,231,666</del>	<del>\$437,488,032</del>	<del>\$1,048,719,698</del>

1	<del>Grand total special funds</del>	<del>4,706,229</del>	<del>131,449,712</del>	<del>136,155,941</del>
2	<del>Grand total general fund</del>	<del>\$606,525,437</del>	<del>\$306,038,320</del>	<del>\$912,563,757</del>
3	<u>Grand total all funds</u>	<u>\$611,231,666</u>	<u>\$470,153,980</u>	<u>\$1,081,385,646</u>
4	<u>Grand total special funds</u>	<u>4,706,229</u>	<u>161,109,712</u>	<u>165,815,941</u>
5	<u>Grand total general fund</u>	<u>\$606,525,437</u>	<u>\$309,044,268</u>	<u>\$915,569,705</u>

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

**SIXTY-FOURTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

10	<u>One-Time Funding Description</u>	<u>2011-13</u>	<u>2013-15</u>
11	<del>Capital projects – general fund</del>	<del>\$47,136,000</del>	<del>\$166,913,263</del>
12	<del>Capital projects – other funds</del>	<del>105,065,555</del>	<del>132,206,029</del>
13	<del>Dickinson state university operating funds</del>	<del>900,000</del>	<del>0</del>
14	<u>Capital projects - General fund</u>	<u>\$47,136,000</u>	<u>\$167,973,263</u>
15	<u>Capital projects - Other funds</u>	<u>105,065,555</u>	<u>161,866,029</u>
16	<u>Dickinson state university operating funds</u>	<u>900,000</u>	<u>800,000</u>
17	<u>Minot state university flood recovery</u>	<u>0</u>	<u>5,000,000</u>
18	<u>Dakota college at Bottineau - Campus software updates</u>	<u>0</u>	<u>30,000</u>
19	Special assessments payments	819,357	0
20	Mayville state university drainage study	55,000	0
21	UND school of medicine space utilization study	100,000	0
22	Williston state college operating funds	2,000,000	0
23	Emerald ash borer program	250,000	0
24	Deferred maintenance pool	0	10,000,000
25	<del>Systemwide master plan and space study</del>	<del>0</del>	<del>1,000,000</del>
26	<del>New program startup fund</del>	<del>0</del>	<del>1,500,000</del>
27	Education challenge fund	0	30,000,000
28	Health care workforce initiative	0	7,414,806
29	<del>Total all funds</del>	<del>\$156,325,912</del>	<del>\$349,034,098</del>
30	<del>Total other funds</del>	<del>105,065,555</del>	<del>132,206,029</del>
31	<del>Total general fund</del>	<del>\$51,260,357</del>	<del>\$216,828,069</del>



1	<u>Total all funds</u>	<u>\$156,325,912</u>	<u>\$383,084,098</u>
2	<u>Total other funds</u>	<u>105,065,555</u>	<u>161,866,029</u>
3	<u>Total general fund</u>	<u>\$51,260,357</u>	<u>\$221,218,069</u>

4 The 2013-15 one-time funding amounts are not a part of the entity's base budget for the  
5 2015-17 biennium. The North Dakota university system shall report to the appropriations  
6 committees of the sixty-fourth legislative assembly on the use of this one-time funding for the  
7 biennium beginning July 1, ~~2015~~2013, and ending June 30, ~~2017~~2015.

8 **SECTION 3. AMENDMENT.** Section 15-10-47 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10 **15-10-47. Construction projects at institutions of higher education - Variance reports.**

- 11 1. Whenever any new construction, renovation, or repair, valued at more than two  
12 hundred fifty thousand dollars is underway on the campus of an institution of higher  
13 education under the control of the state board of higher education, the board shall  
14 provide ~~monthly~~semiannual project variance reports to the director of the office of  
15 management and budget. Each report must include:
- 16 a. The name or a description of the project;
  - 17 b. The expenditure authorized by the legislative assembly;
  - 18 c. The amount of the original contract;
  - 19 d. The amount of any change orders;
  - 20 e. The amount of any potential or anticipated change orders;
  - 21 f. The sum of subdivisions c through e and the amount by which that sum varies
  - 22 from the expenditure authorized by the legislative assembly;
  - 23 g. The total expended for the project to date; and
  - 24 h. The scheduled date of completion as noted in the original contract and the latest
  - 25 available scheduled date of completion.
- 26 2. The state board of higher education also shall provide to the director of the office of  
27 management and budget, at the same time as the project variance report required by  
28 subsection 1:
- 29 a. A brief description of each change order included in subdivision d of
  - 30 subsection 1; and

- 1           b. A list of each public and nonpublic entity that has a contractually reflected  
2           financial obligation with respect to the project.
- 3           3. The office of management and budget shall review the information received under this  
4           section and provide reports to the budget section of the legislative management upon  
5           request.

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

8           **Assessment of institutions.**

- 9           1. Before the state board of higher education may impose an assessment on or  
10           otherwise require that individual institutions of higher education pay for any goods or  
11           services provided by or through the North Dakota university system office, the board  
12           shall seek approval from the budget section of the legislative management.
- 13           2. This section does not apply to any assessments or payment obligations for goods or  
14           services in effect before the effective date of this Act.

15           **SECTION 5. AMENDMENT.** Section 15-62.2-02 of the North Dakota Century Code is  
16 amended and reenacted as follows:

17           **15-62.2-02. State board of higher education - Powers and duties.**

18           The state board of higher education shall:

- 19           1. Administer the North Dakota student financial assistance program and the North  
20           Dakota scholars program and adopt functional rules regarding the eligibility and  
21           selection of grant and scholarship recipients.
- 22           2. Determine the amount of individual grants, which may not exceed one thousand  
23           fivesix hundred fifty dollars per recipient per academic year, under the North Dakota  
24           student financial assistance program.
- 25           3. For the North Dakota student financial assistance program, adopt criteria for  
26           substantial need, based upon the ability of the parents or guardian to contribute  
27           toward the applicant's educational expenses.
- 28           4. Establish the appropriate procedures for fiscal control, fund accounting, and necessary  
29           reports.
- 30           5. Apply for, receive, expend, and administer granted moneys from federal or private  
31           sources.

1 ~~— **SECTION 5. AMENDMENT.** Section 15.1-21-02.6 of the North Dakota Century Code is~~  
2 ~~amended and reenacted as follows:~~

3 ~~— **15.1-21-02.6. North Dakota scholarship -- Amount -- Applicability.**~~

4 ~~— 1. a. The state board of higher education shall provide to any student certified as~~  
5 ~~being eligible by the superintendent of public instruction either a North Dakota~~  
6 ~~academic scholarship or a North Dakota career and technical education~~  
7 ~~scholarship in the amount of seven hundred one thousand two hundred fifty~~  
8 ~~dollars for each semester during which the student is enrolled full time at an~~  
9 ~~accredited institution of higher education in this state and maintains a cumulative~~  
10 ~~grade point average of 2.75.~~

11 ~~— b. The state board of higher education shall provide to any student certified as~~  
12 ~~being eligible by the superintendent of public instruction either a North Dakota~~  
13 ~~academic scholarship or a North Dakota career and technical education~~  
14 ~~scholarship in the amount of five hundred dollars for each quarter during which~~  
15 ~~the student is enrolled full time at an accredited institution of higher education in~~  
16 ~~this state and maintains a cumulative grade point average of 2.75.~~

17 ~~— 2. The state board shall monitor each scholarship recipient to ensure that the student~~  
18 ~~meets the academic and other requirements of this section. Upon determining that a~~  
19 ~~recipient student has failed to meet the requirements of this section, the board shall~~  
20 ~~provide notification to the student within ten days.~~

21 ~~— 3. A student is not entitled to receive more than sixteen thousand dollars under this~~  
22 ~~section.~~

23 ~~— 4. The state board of higher education shall forward the scholarship directly to the~~  
24 ~~institution in which the student is enrolled.~~

25 ~~— 5. a. (1) This section does not require a student to be enrolled in consecutive~~  
26 ~~semesters.~~

27 ~~— (2) This section does not require a student to be enrolled in consecutive~~  
28 ~~quarters.~~

29 ~~— b. However, a scholarship under this section is valid only for six academic years~~  
30 ~~after the student's graduation from high school and may not be applied to~~  
31 ~~graduate programs.~~

1 ~~6. A scholarship under this section is available to any eligible resident student who fulfills~~  
2 ~~the requirements of section 15.1-21-02.4 or 15.1-21-02.5 and who graduates from:~~

3 ~~a. A high school in this state;~~

4 ~~b. A high school in a bordering state under chapter 15.1-29; or~~

5 ~~c. A nonpublic high school in a bordering state while residing with a custodial parent~~  
6 ~~in this state.~~

7 ~~7. For purposes of North Dakota scholarship eligibility under this section, "full-time"~~  
8 ~~means enrollment in at least twelve credits during a student's first two semesters and~~  
9 ~~enrollment in at least fifteen credits during each semester thereafter or enrollment in~~  
10 ~~the equivalent number of credits, as determined by the state board of higher~~  
11 ~~education, with respect to students in a quarter system.~~

12 ~~**SECTION 6. CAPITAL ASSETS.** The sum of \$10,436,045, or so much of the sum as may~~  
13 ~~be necessary, included in the capital assets line item in subdivision 1 of section 1 of this Act,~~  
14 ~~must be used by the state board of higher education to satisfy outstanding bond obligations.~~

15 **SECTION 6. AMENDMENT.** Subsection 2 of section 15-70-04 of the North Dakota Century  
16 Code is amended and reenacted as follows:

- 17 2. If an application is approved, the state board of higher education shall distribute to the  
18 tribally controlled community college, during each year of the biennium, an amount  
19 equivalent to the most recent per student payment provided in accordance with the  
20 Tribally Controlled Colleges and Universities Assistance Act of 1978 [25 U.S.C. 20] for  
21 each nonbeneficiary student who is a resident of the state. If the amount appropriated  
22 is insufficient to meet the requirements of this section, the board shall prorate the  
23 amount to be distributed. The board may distribute no more than one-half of the  
24 biennial legislative appropriation provided for grants under this section during the first  
25 year of the biennium.

26 **SECTION 7. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28 **54-44.1-11. (Effective through July 31, 20132015) Office of management and budget to**  
29 **cancel unexpended appropriations - When they may continue.**

30 Except as otherwise provided by law, the office of management and budget, thirty days after  
31 the close of each biennial period, shall cancel all unexpended appropriations or balances of

1 appropriations after the expiration of the biennial period during which they became available  
2 under the law. Unexpended appropriations for the state historical society are not subject to this  
3 section and the state historical society shall report on the amounts and uses of funds carried  
4 over from one biennium to the appropriations committees of the next subsequent legislative  
5 assembly. Unexpended appropriations for the North Dakota university system are not subject to  
6 this section and the North Dakota university system shall report on the amounts and uses of  
7 funds carried over from one biennium to the next to subsequent appropriations committees of  
8 the legislative assembly. The chairmen of the appropriations committees of the senate and  
9 house of representatives of the legislative assembly with the office of the budget may continue  
10 appropriations or balances in force for not more than two years after the expiration of the  
11 biennial period during which they became available upon recommendation of the director of the  
12 budget for:

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

24 **(Effective after July 31, ~~2013~~2015) Office of management and budget to cancel**  
25 **unexpended appropriations - When they may continue.** The office of management and  
26 budget, thirty days after the close of each biennial period, shall cancel all unexpended  
27 appropriations or balances of appropriations after the expiration of the biennial period during  
28 which they became available under the law. Unexpended appropriations for the state historical  
29 society are not subject to this section and the state historical society shall report on the amounts  
30 and uses of funds carried over from one biennium to the appropriations committees of the next  
31 subsequent legislative assembly. The chairmen of the appropriations committees of the senate

1 and house of representatives of the legislative assembly with the office of the budget may  
2 continue appropriations or balances in force for not more than two years after the expiration of  
3 the biennial period during which they became available upon recommendation of the director of  
4 the budget for:

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

16 **SECTION 8. SYSTEMWIDE FUNDING POOLS - TRANSFER AUTHORITY.** The following  
17 line items contained in subdivision 1 of section 1 of this Act include funding that may be  
18 transferred in full or in part during the biennium beginning July 1, 2013, and ending June 30,  
19 2015, by the state board of higher education to the institutions and entities under its control  
20 based on the recommendations of the commissioner of higher education as follows:

- 21 1. The deferred maintenance funding pool line item includes funding that must be used to  
22 address deferred maintenance and other infrastructure needs at institutions.
- 23 2. The education incentive programs line item includes funding that may be allocated to  
24 education incentive programs based on program eligibility criteria and the reduction or  
25 elimination of specific programs as determined by the board.

26 **SECTION 9. SYSTEM INFORMATION TECHNOLOGY SERVICES - OFFICE**  
27 **CONSOLIDATION - BUDGET SECTION REPORT.** Within five years of the completion of the  
28 joint information technology building project on the campus of the university of North Dakota, as  
29 approved by the sixty-second legislative assembly, the state board of higher education shall  
30 consolidate all system information technology services staff offices in the building. The state  
31 board of higher education shall provide annual reports to the budget section regarding the

1 status of the consolidation of the system information technology services offices until all offices  
2 are consolidated. Effective five years after the completion of the building project, the state board  
3 of higher education may not authorize the use of any other office space for system information  
4 technology services employees unless the consent of the legislative assembly or the budget  
5 section of the legislative management is received to use office space in a different location.

6 **SECTION 10. UNIVERSITY OF NORTH DAKOTA - RESEARCH ENTERPRISE AND**  
7 **COMMERCIALIZATION BUILDING PURCHASE - BUDGET SECTION REPORT.** During the  
8 biennium beginning July 1, 2013, and ending June 30, 2015, the state board of higher  
9 education may enter a purchase and financing agreement or agreements with a private entity  
10 and do all things necessary and proper to authorize the purchase of the research enterprise and  
11 commercialization building on the campus of the university of North Dakota using donations,  
12 gifts, or other funds. The state board of higher education shall provide a report to the budget  
13 section if the research enterprise and commercialization building is purchased as provided  
14 under this section.

15 **SECTION 11. MINOT STATE UNIVERSITY - FLOOD RECOVERY FUNDING.** The sum of  
16 \$5,000,000 included in the operations line item in subdivision 10 of section 1 of this Act must be  
17 used by Minot state university to address housing, budget, and other needs relating to the 2011  
18 flood, including capital, as determined by the university.

19 **SECTION 12. NORTH DAKOTA STATE UNIVERSITY - MINARD HALL - BUDGET**  
20 **SECTION REPORT.** North Dakota state university may use unspent funding from the  
21 \$5,000,000 appropriation received during the biennium beginning July 1, 2007, and ending  
22 June 30, 2009, and unspent funding from the \$13,000,000 appropriation received during the  
23 biennium beginning July 1, 2009, and ending June 30, 2011, for the Minard hall project, for the  
24 biennium beginning July 1, 2013, and ending June 30, 2015. North Dakota state university shall  
25 report to the budget section regarding the status of the Minard hall project and may request  
26 increased spending authorization from the budget section for the project.

27 ~~—SECTION 8. SYSTEM INFORMATION TECHNOLOGY SERVICES. The sum of~~  
28 ~~\$38,792,946, or so much of the sum as may be necessary, included in the system information~~  
29 ~~technology services line item in subdivision 1 of section 1 of this Act, must be used for the~~  
30 ~~benefit of the institutions and entities under the control of the state board of higher education, as~~  
31 ~~determined by the board. Funding allocations are to be made based on the North Dakota~~



~~1 university system information technology plan and data and technology priorities. Funds  
2 allocated pursuant to this section must be used to support the system information technology  
3 services, including the data network, video and collaborative academic services, the on-line  
4 Dakota information network, connectND, and other related data technology initiatives and  
5 services as determined by the board.~~

6       **SECTION 13. STUDENT LOAN TRUST FUND.** Subdivision 1 of section 1 of this Act  
7 includes the sum of \$1,004,744, or so much of the sum as may be necessary, from the student  
8 loan trust fund of which \$465,307 is for the professional student exchange program and  
9 \$539,437 is for connectND campus solution positions, for the biennium beginning July 1, 2013,  
10 and ending June 30, 2015.

11 ~~— **SECTION 8. DEFERRED MAINTENANCE POOL.** The deferred maintenance pool line item  
12 in subdivision 1 of section 1 of this Act includes the sum of \$10,000,000 which must be  
13 transferred by the state board of higher education to institutions under its control, based on the  
14 recommendation of the chancellor, to address deferred maintenance and other critical  
15 renovation needs as identified in the systemwide facility master plan.~~

16 ~~— **SECTION 11. NEW PROGRAM STARTUP POOL.** The new program startup pool line item  
17 in subdivision 1 of section 1 of this Act includes the sum of \$1,500,000 which must be  
18 transferred by the state board of higher education to institutions under its control, based on the  
19 recommendation of the chancellor, to assist with initiating new or expanding existing academic  
20 or technical programs that support state needs.~~

21 ~~— **SECTION 12. STUDENT FINANCIAL ASSISTANCE GRANTS.** The student financial  
22 assistance grants line item in subdivision 1 of section 1 of this Act includes the sum of  
23 \$21,245,679, which may be used, in part, to provide financial assistance to part-time students.~~

24       **SECTION 14. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH**  
25 **SCIENCES OPERATIONS.** The operations line item in subdivision 5 of section 1 of this Act  
26 includes the sum of \$158,904,848, which must be transferred, in part, by the state board of  
27 higher education, based on the recommendation of the ~~chancellor~~commissioner of higher  
28 education, to the university of North Dakota school of medicine and health sciences for  
29 operations consistent with the higher education per student credit-hour funding formula.

30       **SECTION 15. FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION.** All funds,  
31 in addition to those appropriated in section 1 of this Act, from federal, private, and other sources



1 for competitive grants or other funds that the legislative assembly has not indicated the intent to  
2 reject, including tuition revenue, received by the institutions and entities under the control of the  
3 state board of higher education are appropriated to those institutions and entities, for the  
4 biennium beginning July 1, 2013, and ending June 30, 2015. All additional funds received under  
5 the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2013,  
6 and ending June 30, 2015, are appropriated to the state board of higher education for  
7 reimbursement to institutions under the control of the board.

8 **SECTION 16. TRANSFER AUTHORITY.** If, during the biennium beginning July 1, 2013,  
9 and ending June 30, 2015, the state board of higher education determines that funds allocated  
10 to operations in section 1 of this Act are needed for capital assets, the board may transfer funds  
11 from operations to capital assets. The board shall report any transfer of funds under this section  
12 to the office of management and budget.

13 **SECTION 17. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding  
14 any other provisions of law, the state board of higher education may adjust full-time equivalent  
15 positions as needed, subject to the availability of funds, for institutions and entities under its  
16 control during the biennium beginning July 1, 2013, and ending June 30, 2015. The North  
17 Dakota university system shall report any adjustments to the office of management and budget  
18 before the submission of the 2015-17 biennium budget request.

19 ~~— **SECTION 13. EDUCATION INCENTIVE PROGRAMS.** The funding appropriated for~~  
20 ~~education incentive programs in subdivision 1 of section 1 of this Act may be allocated to~~  
21 ~~education incentive programs as determined by the state board of higher education, including~~  
22 ~~the reduction or elimination of specific programs, and the state board of higher education may~~  
23 ~~determine the appropriate number of years of program eligibility for each education incentive~~  
24 ~~program.~~

25 ~~— **SECTION 14. TRIBALLY CONTROLLED COMMUNITY COLLEGE GRANTS.** The tribally-~~  
26 ~~controlled community college grants line in subdivision 1 of section 1 of this Act, includes the~~  
27 ~~sum of \$1,000,000 from the general fund, or so much of the sum as may be necessary, for the~~  
28 ~~purpose of providing grant assistance payments to tribally controlled community colleges, for~~  
29 ~~the biennium beginning July 1, 2013, and ending June 30, 2015. No more than \$500,000 may~~  
30 ~~be expended for this purpose during the first year of the biennium.~~

1       **SECTION 18. BOND ISSUANCE AUTHORIZATION - PURPOSES ~~—APPROPRIATION.~~**

2       The state board of higher education, in accordance with chapter 15-55, may arrange for the  
3       funding of projects authorized in this section, declared to be in the public interest, through the  
4       issuance of self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55,  
5       beginning with the effective date of this Act and ending June 30, 2015. Evidences of  
6       indebtedness issued pursuant to this section are not a general obligation of the state of North  
7       Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness  
8       must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences  
9       of indebtedness may be issued and the proceeds are appropriated, ~~for the biennium beginning~~  
10      ~~July 1, 2013, and ending June 30, 2015, for the purpose of financing in section 1 of this Act for~~  
11      the following capital projects:

12      University of North Dakota - Student housing facility	\$19,187,262
13 <u>University of North Dakota - Wilkerson hall dining center</u>	<u>29,000,000</u>
14      University of North Dakota - Resident apartment building	<u>8,300,000</u>
15 <del>Total special funds</del>	<del>\$27,487,262</del>
16 <u>Total special funds</u>	<u>\$56,487,262</u>

17      **SECTION 19. EMERGENCY.** ~~The~~ Section 18 of this Act and the capital assets and  
18      ~~education incentive~~ deferred maintenance pool line items contained in section 1 ~~and sections 6-~~  
19      ~~and 19~~ of this Act are declared to be an emergency measure.