

Sixty-third
Legislative Assembly
of North Dakota

REENGROSSED SENATE BILL NO. 2003

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 provide an appropriation to the state board of higher education for a~~
3 ~~settlement payment for the termination of the contract of the commissioner of higher education~~
4 to provide contingent appropriations; to create and enact six new sections to chapter 15-10 of
5 the North Dakota Century Code, relating to provisions of matching grants for the advancement
6 of postsecondary academics; to amend and reenact sections 15-10-47, 15-52-01, 15-52-03,
7 15-52-04, 15-52-05, 15-52-09, 15-52-31, and 15-62.2-02, subsection 2 of section 15-70-04, and
8 section 54-44.1-11 of the North Dakota Century Code, relating to construction project variance
9 reports, the state medical center, student financial assistance grants, tribally controlled
10 community college grants, and the cancellation of unexpended appropriations; to repeal section
11 section 5 of Senate Bill No. 2018, as approved by the sixty-third legislative assembly, relating to
12 a contingent appropriation; to provide an exemption; to provide for transfer of funds; to
13 authorize the state board of higher education to issue and sell bonds for capital projects; to
14 provide for budget section reports; to provide loan authorization for the university of North
15 Dakota school of medicine and health sciences facility project; to provide for legislative
16 management reports; to provide for a legislative management study; to provide an expiration
17 date; and to declare an emergency.

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

19 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
20 as may be necessary, are appropriated out of any moneys in the general fund in the state
21 treasury, not otherwise appropriated, and from special funds derived from federal funds and
22 other income to the North Dakota university system office and to the various entities and
23 institutions under the supervision of the state board of higher education for the purpose of

1 defraying the expenses of the North Dakota university system office and to the various entities
2 for the biennium beginning July 1, 2013, and ending June 30, 2015, as follows:

3 Subdivision 1.

4 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	Base Level	Adjustments or Enhancements	Appropriation	
5				
6				
7	Capital assets – Bond payments	\$12,204,769	(\$1,768,724)	\$10,436,045
8	Competitive research program	7,050,000	0	7,050,000
9	System governance	7,349,806	1,527,502	8,877,308
10	Title II	1,006,472	0	1,006,472
11	System information technology services	36,006,667	2,786,279	38,792,946
12	Professional liability insurance	800,000	(800,000)	0
13	Student financial assistance grants	19,025,594	2,220,085	21,245,679
14	Professional student exchange program	3,321,438	953,577	4,275,015
15	Academic and technical education	10,000,000	3,700,000	13,700,000
16	—scholarships			
17	Two-year campus marketing	800,000	0	800,000
18	Scholars program	2,113,584	0	2,113,584
19	Native American scholarships	574,267	75,000	649,267
20	Tribally controlled community college grants	1,000,000	0	1,000,000
21	Education incentive programs	3,176,344	172,656	3,349,000
22	Deferred maintenance pool	0	10,000,000	10,000,000
23	Student mental health	0	282,520	282,520
24	Education challenge fund	0	30,000,000	30,000,000
25	Total all funds	\$104,428,941	\$49,148,895	\$153,577,836
26	Less estimated income	3,056,229	(756,317)	2,299,912
27	Total general fund	\$101,372,712	\$49,905,212	\$151,277,924
28	Full-time equivalent positions	100.31	0.00	100.31

29 — Subdivision 2.

30 BISMARCK STATE COLLEGE

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	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$27,628,314	\$7,368,548	\$34,996,862
Capital assets	417,673	13,300,000	13,717,673
Total all funds	\$28,045,987	\$20,668,548	\$48,714,535
Less estimated income	0	0	0
Total general fund	\$28,045,987	\$20,668,548	\$48,714,535
Full-time equivalent positions	126.96	4.00	130.96

Subdivision 3.

LAKE REGION STATE COLLEGE

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$9,003,614	\$4,250,594	\$13,254,208
Capital assets	155,367	5,947,562	6,102,929
Total all funds	\$9,158,981	\$10,198,156	\$19,357,137
Less estimated income	0	0	0
Total general fund	\$9,158,981	\$10,198,156	\$19,357,137
Full-time equivalent positions	40.22	3.00	43.22

Subdivision 4.

WILLISTON STATE COLLEGE

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$8,849,685	\$1,097,278	\$9,946,963
Capital assets	197,801	14,042,478	14,240,279
Total all funds	\$9,047,486	\$15,139,756	\$24,187,242
Less estimated income	0	0	0
Total general fund	\$9,047,486	\$15,139,756	\$24,187,242
Full-time equivalent positions	44.15	6.00	50.15

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

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	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$140,457,484	\$18,447,364	\$158,904,848
Capital assets	4,411,566	176,787,262	181,198,828
Total all funds	\$144,869,050	\$195,234,626	\$340,103,676
Less estimated income	0	96,487,262	96,487,262
Total general fund	\$144,869,050	\$98,747,364	\$243,616,414
Full-time equivalent positions	642.20	0.00	642.20

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$125,015,305	\$19,272,934	\$144,288,239
Capital assets	2,732,244	69,419,356	72,151,600
Total all funds	\$127,747,549	\$88,692,290	\$216,439,839
Less estimated income	0	39,819,356	39,819,356
Total general fund	\$127,747,549	\$48,872,934	\$176,620,483
Full-time equivalent positions	495.21	0.00	495.21

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$34,186,542	\$6,791,805	\$40,978,347
Capital assets	1,012,379	9,861,452	10,873,831
Total all funds	\$35,198,921	\$16,653,257	\$51,852,178
Less estimated income	0	1,350,000	1,350,000
Total general fund	\$35,198,921	\$15,303,257	\$50,502,178
Full-time equivalent positions	171.87	1.75	173.62

Subdivision 8.

DICKINSON STATE UNIVERSITY

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	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$22,383,539	\$6,290,197	\$28,673,736
Capital assets	409,078	0	409,078
Total all funds	\$22,792,617	\$6,290,197	\$29,082,814
Less estimated income	0	0	0
Total general fund	\$22,792,617	\$6,290,197	\$29,082,814
Full-time equivalent positions	100.32	5.00	105.32

Subdivision 9.

MAYVILLE STATE UNIVERSITY

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

Subdivision 10.

MINOT STATE UNIVERSITY

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
Operations	\$37,838,974	\$9,725,919	\$47,564,893
Capital assets	899,620	13,623,690	14,523,310
Total all funds	\$38,738,594	\$23,349,609	\$62,088,203
Less estimated income	0	11,801,785	11,801,785
Total general fund	\$38,738,594	\$11,547,824	\$50,286,418
Full-time equivalent positions	201.76	3.00	204.76

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
1				
2				
3	Operations	\$17,694,741	\$4,410,281	\$22,105,022
4	Capital assets	408,319	9,199,103	9,607,422
5	Total all funds	\$18,103,060	\$13,609,384	\$31,712,444
6	Less estimated income	0	4,806,837	4,806,837
7	Total general fund	\$18,103,060	\$8,802,547	\$26,905,607
8	Full-time equivalent positions	97.29	3.00	100.29
9	Subdivision 12:			
10	DAKOTA COLLEGE AT BOTTINEAU			
11		Adjustments or		
12		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
13	Operations	\$6,489,750	\$1,886,639	\$8,376,389
14	Capital assets	115,507	8,836,389	8,951,896
15	Total all funds	\$6,605,257	\$10,723,028	\$17,328,285
16	Less estimated income	0	7,600,789	7,600,789
17	Total general fund	\$6,605,257	\$3,122,239	\$9,727,496
18	Full-time equivalent positions	36.12	4.00	40.12
19	Subdivision 13:			
20	UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES			
21		Adjustments or		
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Operations	\$47,747,971	\$8,214,806	\$55,962,777
24	Total all funds	\$47,747,971	\$8,214,806	\$55,962,777
25	Less estimated income	0	0	0
26	Total general fund	\$47,747,971	\$8,214,806	\$55,962,777
27	Full-time equivalent positions	156.55	0.00	156.55
28	Subdivision 14:			
29	NORTH DAKOTA FOREST SERVICE			
30		Adjustments or		
31		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

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1	Operations	\$5,514,681	\$758,131	\$6,272,812
2	Capital assets	97,791	788,419	886,210
3	Total all funds	\$5,612,472	\$1,546,550	\$7,159,022
4	Less estimated income	1,650,000	0	1,650,000
5	Total general fund	\$3,962,472	\$1,546,550	\$5,509,022
6	Full-time equivalent positions	28.00	1.00	29.00
7	Subdivision 15.			
8	BILL TOTAL			
9			Adjustments or	
10		Base Level	Enhancements	Appropriation
11	Grand total all funds	\$611,231,666	\$471,008,500	\$1,082,240,166
12	Grand total special funds	4,706,229	161,109,712	165,815,941
13	Grand total general fund	\$606,525,437	\$309,898,788	\$916,424,225
14	NORTH DAKOTA UNIVERSITY SYSTEM OFFICE			
15			Adjustments or	
16		Base Level	Enhancements	Appropriation
17	Capital assets - bond payments	\$12,204,769	(\$1,768,724)	\$10,436,045
18	Competitive research program	7,050,000	0	7,050,000
19	System governance	7,349,806	5,316,696	12,666,502
20	Title II	1,006,472	0	1,006,472
21	System information technology services	36,006,667	2,655,884	38,662,551
22	Professional liability insurance	800,000	(800,000)	0
23	Student financial assistance grants	19,025,594	2,220,085	21,245,679
24	Professional student exchange program	3,321,438	953,577	4,275,015
25	Academic and technical education	10,000,000	0	10,000,000
26	scholarships			
27	Two-year campus marketing	800,000	0	800,000
28	Scholars program	2,113,584	0	2,113,584
29	Native American scholarships	574,267	75,000	649,267
30	Tribally controlled community college grants	1,000,000	0	1,000,000
31	Education incentive programs	3,176,344	172,656	3,349,000

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1	Deferred maintenance pool	0	10,000,000	10,000,000
2	Master plan and space utilization study	0	1,000,000	1,000,000
3	Student mental health	0	282,520	282,520
4	Education challenge fund	0	29,000,000	29,000,000
5	Performance funding pool	0	5,000,000	5,000,000
6	Capital projects contingency pool	0	5,483,413	5,483,413
7	Total all funds	\$104,428,941	\$59,591,107	\$164,020,048
8	Less estimated income	3,056,229	(756,317)	2,299,912
9	Total general fund	\$101,372,712	\$60,347,424	\$161,720,136
10	Full-time equivalent positions	100.31	12.60	112.91
11	<u>Subdivision 2.</u>			
12	<u>BISMARCK STATE COLLEGE</u>			
13			Adjustments or	
14		Base Level	Enhancements	Appropriation
15	Operations	\$27,628,314	\$5,025,340	\$32,653,654
16	Capital assets	417,673	19,300,000	19,717,673
17	Total all funds	\$28,045,987	\$24,325,340	\$52,371,327
18	Less estimated income	0	6,665,000	6,665,000
19	Total general fund	\$28,045,987	\$17,660,340	\$45,706,327
20	Full-time equivalent positions	126.96	0.00	126.96
21	<u>Subdivision 3.</u>			
22	<u>LAKE REGION STATE COLLEGE</u>			
23			Adjustments or	
24		Base Level	Enhancements	Appropriation
25	Operations	\$9,003,614	\$3,425,483	\$12,429,097
26	Capital assets	155,367	5,650,184	5,805,551
27	Total all funds	\$9,158,981	\$9,075,667	\$18,234,648
28	Less estimated income	0	0	0
29	Total general fund	\$9,158,981	\$9,075,667	\$18,234,648
30	Full-time equivalent positions	40.22	0.00	40.22
31	<u>Subdivision 4.</u>			

1 WILLISTON STATE COLLEGE

2 Adjustments or

3 Base Level Enhancements Appropriation

4 Operations \$8,849,685 \$3,933,821 \$12,783,506

5 Capital assets 197,801 13,340,354 13,538,155

6 Total all funds \$9,047,486 \$17,274,175 \$26,321,661

7 Less estimated income 0 0 0

8 Total general fund \$9,047,486 \$17,274,175 \$26,321,661

9 Full-time equivalent positions 44.15 0.00 44.15

10 Subdivision 5.

11 UNIVERSITY OF NORTH DAKOTA

12 Adjustments or

13 Base Level Enhancements Appropriation

14 Operations \$140,457,484 \$12,897,283 \$153,354,767

15 Capital assets 4,411,566 169,277,262 173,688,828

16 Total all funds \$144,869,050 \$182,174,545 \$327,043,595

17 Less estimated income 0 96,487,262 96,487,262

18 Total general fund \$144,869,050 \$85,687,283 \$230,556,333

19 Full-time equivalent positions 642.20 (8.60) 633.60

20 Subdivision 6.

21 NORTH DAKOTA STATE UNIVERSITY

22 Adjustments or

23 Base Level Enhancements Appropriation

24 Operations \$125,015,305 \$15,326,235 \$140,341,540

25 Capital assets 2,732,244 67,939,356 70,671,600

26 Total all funds \$127,747,549 \$83,265,591 \$211,013,140

27 Less estimated income 0 39,819,356 39,819,356

28 Total general fund \$127,747,549 \$43,446,235 \$171,193,784

29 Full-time equivalent positions 495.21 (4.00) 491.21

30 Subdivision 7.

31 NORTH DAKOTA STATE COLLEGE OF SCIENCE

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$34,186,542	\$3,994,914	\$38,181,456
Capital assets	1,012,379	9,435,879	10,448,258
Total all funds	\$35,198,921	\$13,430,793	\$48,629,714
Less estimated income	0	1,350,000	1,350,000
Total general fund	\$35,198,921	\$12,080,793	\$47,279,714
Full-time equivalent positions	171.87	0.00	171.87

Subdivision 8.

DICKINSON STATE UNIVERSITY

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$22,383,539	\$4,715,688	\$27,099,227
Capital assets	409,078	0	409,078
Total all funds	\$22,792,617	\$4,715,688	\$27,508,305
Less estimated income	0	0	0
Total general fund	\$22,792,617	\$4,715,688	\$27,508,305
Full-time equivalent positions	100.32	0.00	100.32

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$12,775,788	\$1,588,636	\$14,364,424
Capital assets	358,992	7,663,650	8,022,642
Total all funds	\$13,134,780	\$9,252,286	\$22,387,066
Less estimated income	0	0	0
Total general fund	\$13,134,780	\$9,252,286	\$22,387,066
Full-time equivalent positions	62.78	0.00	62.78

Subdivision 10.

MINOT STATE UNIVERSITY

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$37,838,974	\$8,471,237	\$46,310,211
Capital assets	899,620	13,532,595	14,432,215
Total all funds	\$38,738,594	\$22,003,832	\$60,742,426
Less estimated income	0	11,801,785	11,801,785
Total general fund	\$38,738,594	\$10,202,047	\$48,940,641
Full-time equivalent positions	201.76	0.00	201.76

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$17,694,741	\$2,996,394	\$20,691,135
Capital assets	408,319	8,991,990	9,400,309
Total all funds	\$18,103,060	\$11,988,384	\$30,091,444
Less estimated income	0	4,806,837	4,806,837
Total general fund	\$18,103,060	\$7,181,547	\$25,284,607
Full-time equivalent positions	97.29	0.00	97.29

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$6,489,750	\$1,430,793	\$7,920,543
Capital assets	115,507	8,744,609	8,860,116
Total all funds	\$6,605,257	\$10,175,402	\$16,780,659
Less estimated income	0	7,600,789	7,600,789
Total general fund	\$6,605,257	\$2,574,613	\$9,179,870
Full-time equivalent positions	36.12	0.00	36.12

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$47,747,971	\$8,757,663	\$56,505,634
Total all funds	\$47,747,971	\$8,757,663	\$56,505,634
Less estimated income	0	0	0
Total general fund	\$47,747,971	\$8,757,663	\$56,505,634
Full-time equivalent positions	156.55	0.00	156.55

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	Adjustments or		
	Base Level	Enhancements	Appropriation
Operations	\$5,514,681	\$735,298	\$6,249,979
Capital assets	97,791	788,419	886,210
Total all funds	\$5,612,472	\$1,523,717	\$7,136,189
Less estimated income	1,650,000	0	1,650,000
Total general fund	\$3,962,472	\$1,523,717	\$5,486,189
Full-time equivalent positions	28.00	1.00	29.00

Subdivision 15.

BILL TOTAL

	Adjustments or		
	Base Level	Enhancements	Appropriation
Grand total all funds	\$611,231,666	\$457,554,190	\$1,068,785,856
Grand total special funds	4,706,229	167,774,712	172,480,941
Grand total general fund	\$606,525,437	\$289,779,478	\$896,304,915

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:

<u>One-Time Funding Description</u>	<u>2011-13</u>	<u>2013-15</u>
Capital projects - General fund	\$47,136,000	\$167,973,263
Capital projects - Other funds	105,065,555	161,866,029

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1	<u>Capital projects - general fund</u>	\$47,136,000	\$155,691,350
2	<u>Capital projects - other funds</u>	105,065,555	168,531,029
3	<u>Capital projects contingency pool</u>	0	5,483,413
4	<u>Campus deferred maintenance projects</u>	0	440,000
5	<u>Performance funding pool</u>	0	5,000,000
6	Dickinson state university operating funds	900,000	800,000
7	Minot state university flood recovery	0	5,000,000
8	Dakota college at Bottineau - Campus software updates	0	30,000
9	<u>Minot state university flood recovery funds</u>	0	2,500,000
10	<u>Dakota college at Bottineau - campus software updates</u>	0	28,500
11	Special assessments payments	819,357	0
12	Mayville state university drainage study	55,000	0
13	UND school of medicine space utilization study	100,000	0
14	Williston state college operating funds	2,000,000	0
15	Emerald ash borer program	250,000	0
16	Deferred maintenance pool	0	10,000,000
17	Education challenge fund	0	30,000,000
18	Health care workforce initiative	0	7,414,806
19	Total all funds	\$156,325,912	\$383,084,098
20	Total other funds	105,065,555	161,866,029
21	Total general fund	\$51,260,357	\$221,218,069
22	<u>Education challenge fund</u>	0	29,000,000
23	<u>Health care workforce initiative</u>	0	7,414,806
24	<u>Master plan and space utilization study</u>	0	1,000,000
25	<u>Total all funds</u>	\$156,325,912	\$385,889,098
26	<u>Total other funds</u>	105,065,555	168,531,029
27	<u>Total general fund</u>	\$51,260,357	\$217,358,069

28 The 2013-15 one-time funding amounts are not a part of the entity's base budget for the
 29 2015-17 biennium. The North Dakota university system shall report to the appropriations
 30 committees of the sixty-fourth legislative assembly on the use of this one-time funding for the
 31 biennium beginning July 1, 2013, and ending June 30, 2015.

1 ~~SECTION 3. APPROPRIATION -- COMMISSIONER OF HIGHER EDUCATION~~

2 ~~CONTRACT TERMINATION -- LIMITATION -- APPLICATION.~~ There is appropriated out of any
3 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
4 \$854,520, or so much of the sum as may be necessary, to the state board of higher education
5 for the purpose of providing a settlement payment for the termination of the contract of the
6 commissioner of higher education, for the period beginning with the effective date of this Act
7 and ending June 30, 2015. The funding provided under this section may be used only for a
8 settlement payment and is available to the state board of higher education upon the termination
9 of the contract that was in effect on January 1, 2013, for the commissioner of higher education.
10 For purposes of this section and the contract of the commissioner of higher education,
11 "chancellor of the North Dakota university system" means the commissioner of higher education
12 as provided for under section 6 of article VIII of the Constitution of North Dakota. The office of
13 management and budget shall reduce the available appropriation provided under this section by
14 \$35,605 on the first day of each month beginning July 1, 2013, until the contract has been
15 terminated as provided for in this section. Notwithstanding the provisions of section 54-44.1-11,
16 the office of management and budget shall cancel any unexpended appropriation provided
17 under this section thirty days after June 30, 2015.

18 **SECTION 3. CONTINGENT APPROPRIATIONS - DICKINSON STATE UNIVERSITY -**
19 **DEPARTMENT OF PUBLIC INSTRUCTION.** There is appropriated out of any moneys in the
20 general fund in the state treasury, not otherwise appropriated, the sum of \$6,000,000, or so
21 much of the sum as may be necessary, to Dickinson state university for the purpose of awarding
22 a grant as provided under this section, and out of any moneys in the general fund in the state
23 treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be
24 necessary, to the department of public instruction for the purpose of awarding a grant as
25 provided under this section, for the biennium beginning July 1, 2013, and ending June 30, 2015.

26 The funding appropriated to Dickinson state university under this section is for the purpose
27 of awarding a grant to the Theodore Roosevelt center or the Theodore Roosevelt presidential
28 library for the construction of a Theodore Roosevelt presidential library, for the biennium
29 beginning July 1, 2013, and ending June 30, 2015. Dickinson state university may not use any
30 of the funds appropriated in this section for administrative costs and may not award any of the
31 funds until the grant recipient has raised at least \$3,000,000 from nonstate sources for the

1 project. A grant awarded under this section may be used only for construction costs of the
2 Theodore Roosevelt presidential library. The facility constructed may be used only to house the
3 Theodore Roosevelt presidential library.

4 The funding appropriated to the department of public instruction under this section is for the
5 purpose of awarding a grant to a state agency or nonprofit organization to construct a children's
6 science center in the city where the state capitol is located for providing informal science
7 education to children and others.

8 The funding provided under this section is available only if the sum of actual general fund
9 revenues and the amount by which the July 1, 2013, unobligated general fund balance is more
10 than the legislative estimate made at the close of the 2013 regular legislative session exceeds
11 three and one-half percent of the estimated general fund revenues for the period from July 1,
12 2013, through June 30, 2014, as determined by the office of management and budget. For
13 purposes of this section, "actual general fund revenues" and "estimated general fund revenues"
14 exclude the estimated July 1, 2013, unobligated general fund balance and transfers into the
15 general fund from the strategic investment and improvements fund, the mill and elevator, the
16 lottery, and the gas tax administration. The funding provided in this section is considered a
17 one-time funding item.

18 **SECTION 4. AMENDMENT.** Section 15-10-47 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **15-10-47. Construction projects at institutions of higher education - Variance reports.**

21 1. Whenever any new construction, renovation, or repair, valued at more than two
22 hundred fifty thousand dollars is underway on the campus of an institution of higher
23 education under the control of the state board of higher education, the board shall
24 provide ~~monthly~~semiannual project variance reports to the director of the office of
25 management and budget. Each report must include:

- 26 a. The name or a description of the project;
27 b. The expenditure authorized by the legislative assembly;
28 c. The amount of the original contract;
29 d. The amount of any change orders;
30 e. The amount of any potential or anticipated change orders;

- 1 f. The sum of subdivisions c through e and the amount by which that sum varies
- 2 from the expenditure authorized by the legislative assembly;
- 3 g. The total expended for the project to date; and
- 4 h. The scheduled date of completion as noted in the original contract and the latest
- 5 available scheduled date of completion.
- 6 2. The state board of higher education also shall provide to the director of the office of
- 7 management and budget, at the same time as the project variance report required by
- 8 subsection 1:
- 9 a. A brief description of each change order included in subdivision d of
- 10 subsection 1; and
- 11 b. A list of each public and nonpublic entity that has a contractually reflected
- 12 financial obligation with respect to the project.
- 13 3. The office of management and budget shall review the information received under this
- 14 section and provide reports to the budget section of the legislative management upon
- 15 request.

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

18 **Advancement of academics - Matching grants - University of North Dakota and North**
19 **Dakota state university.**

20 1. a. During the period beginning July 1, 2013, and ending December 31, 2014, the
21 state board of higher education shall award one dollar in matching grants for
22 every two dollars raised by the institutional foundations of the university of North
23 Dakota and North Dakota state university for projects dedicated exclusively to the
24 advancement of academics.

25 b. To be eligible for a matching grant, an institution must demonstrate that:

26 (1) Its foundation has raised at least fifty thousand dollars in cash or monetary
27 pledges for a qualifying project; and

28 (2) The project has been approved by the grant review committee established
29 in section 8 of this Act.

30 c. The board may award up to ten million dollars in matching grants to each
31 institution.

- 1 2. a. If any available dollars have not been awarded by the board before January 1,
2 2015, in accordance with subsection 1, either the university of North Dakota or
3 North Dakota state university may apply for an additional matching grant.
4 b. An application submitted under this subsection must meet the same criteria as an
5 original application.
6 c. The board shall consider each application submitted under this subsection in
7 chronological order.
8 d. If the remaining dollars are insufficient to provide a matching grant in the amount
9 of one dollar for every two dollars raised by the institutional foundation, the board
10 shall award a lesser amount.

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

13 **Advancement of academics - Matching grants - Two-year and four-year institutions of**
14 **higher education.**

- 15 1. a. During the period beginning July 1, 2013, and ending December 31, 2014, the
16 state board of higher education shall award one dollar in matching grants for
17 every two dollars raised by the institutional foundations of Bismarck state college,
18 Dakota college at Bottineau, Dickinson state university, Lake Region state
19 college, Mayville state university, Minot state university, North Dakota state
20 college of science, Valley City state university, and Williston state college for
21 projects dedicated exclusively to the advancement of academics.
22 b. To be eligible for a matching grant, an institution must demonstrate that:
23 (1) Its foundation has raised at least twenty-five thousand dollars in cash or
24 monetary pledges for a qualifying project; and
25 (2) The project has been approved by the grant review committee established
26 in section 8 of this Act.
27 c. The board may award up to one million dollars in matching grants to each
28 institution.
29 2. a. If any available dollars have not been awarded by the board before January 1,
30 2015, in accordance with subsection 1, any institution listed in subsection 1 may
31 apply for an additional matching grant.

1 b. An application submitted under this subsection must meet the same criteria as an
2 original application.

3 c. The board shall consider each application submitted under this subsection in
4 chronological order.

5 d. If the remaining dollars are insufficient to provide a matching grant in the amount
6 of one dollar for every two dollars raised by the institutional foundation, the board
7 shall award a lesser amount.

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

10 **Liability for pledged amount.**

11 If the state board of higher education provides grant funds under this Act to an institution on
12 the basis of a monetary pledge and if the amount forthcoming is less than the amount pledged,
13 the institutional foundation is liable to the institution for any shortfall.

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

16 **Grant review committee.**

17 1. There is created a grant review committee consisting of:

18 a. The governor, or the governor's designee, who shall serve as the chairman;

19 b. Two members of the house of representatives appropriations committee,
20 selected by the majority leader of the house of representatives;

21 c. Two members of the senate appropriations committee, selected by the majority
22 leader of the senate;

23 d. Two members appointed by the governor, with the consent of the legislative
24 management; and

25 e. Two members appointed by the state board of higher education, with the consent
26 of the legislative management.

27 2. The gubernatorial appointees must have an understanding of higher education's role
28 in advancing agriculture, the arts, commerce and finance, manufacturing, mineral
29 extraction, natural resources, and the professions.

1 3. The grant review committee shall establish its rules of operation and procedure and
2 shall develop and publish the criteria upon which all requests for matching grants will
3 be reviewed.

4 4. A request for a matching grant must be presented to the committee by the president of
5 the institution. The president may be accompanied by other individuals having an
6 expertise with respect to the project.

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

9 **Grant review committee - Compensation.**

10 Each member of the grant review committee is entitled to receive compensation in the
11 amount of one hundred thirty-five dollars per day plus reimbursement for expenses as provided
12 by law for state officers if the member is attending meetings or performing duties directed by the
13 committee. The compensation provided for in this section may not be paid to any member of the
14 committee who receives a salary or other compensation as an employee or official of this state
15 if the individual is serving on the committee by virtue of the individual's state office or state
16 employment.

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

19 **Definition.**

20 For purposes of this Act, projects dedicated to the advancement of enhanced academics
21 include investments in research, scholarships, technology, endowed chairs, and investments in
22 educational infrastructure, including new capital construction projects that conform with the
23 university system campus master plan and space utilization study.

24 **SECTION 11. AMENDMENT.** Section 15-52-01 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **15-52-01. School of medicine and health sciences.**

27 The primary purpose of the university of North Dakota school of medicine and health
28 sciences is to educate physicians and other health professionals for subsequent service in
29 North Dakota and to enhance the quality of life ~~in North Dakota~~ of its people. Other purposes
30 include the discovery of knowledge that benefits the people of this state and enhances the
31 quality of their lives.

1 | **SECTION 12. AMENDMENT.** Section 15-52-03 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 | **15-52-03. School of medicine and health sciences advisory council - Members, terms,**
4 **meetings.**

- 5 | 1. To assure the proper coordination of the university of North Dakota school of medicine
6 and health sciences with all other health activities of the state, a permanent school of
7 medicine and health sciences advisory council is established to perform the duties in
8 section 15-52-04.
- 9 | 2. The council consists of fifteen members:
- 10 | a. (1) Two members of the senate, one of whom must be from the majority party
11 and one of whom must be from the minority party, selected by the chairman
12 of the legislative management; and
- 13 | (2) Two members of the house of representatives, one of whom must be from
14 the majority party and one of whom must be from the minority party, to be
15 selected by the chairman of the legislative management;
- 16 | b. One member selected by each of the following:
- 17 | (1) The department of human services;
18 | (2) The state board of higher education;
19 | (3) The state department of health;
20 | (4) The North Dakota medical association;
21 | (5) The North Dakota hospital association;
22 | (6) The veterans administration hospital in Fargo; and
23 | (7) The university of North Dakota center for rural health; and
- 24 | c. Four members selected by the dean of the university of North Dakota school of
25 medicine and health sciences, one from each of the four campuses of the school
26 of medicine and health sciences with headquarters in Bismarck, Fargo, Grand
27 Forks, and Minot.
- 28 | 3. The representatives named by the state agencies and boards must be selected to
29 serve as members of the advisory council for periods of at least one year, but may not
30 serve longer than their term of office on the public agency. The representatives from

1 the North Dakota ~~state~~-medical association and the North Dakota hospital association
2 shall serve a term of three years or until their successors are named and qualified.

- 3 4. The council shall name its own chairman and the dean of the university of North
4 Dakota school of medicine and health sciences shall serve as executive secretary of
5 the council. The executive secretary does not have voting privileges. The council shall
6 meet not less than twice each year, and, from time to time, on its own motion or upon
7 request of the university administration.

8 **SECTION 13. AMENDMENT.** Section 15-52-04 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **15-52-04. Duties of council.**

- 11 1. The advisory council, in consultation with the school of medicine and health sciences
12 and the other agencies, associations, and institutions represented on the advisory
13 council, shall study and make recommendations regarding the strategic plan,
14 programs, and facilities of the school of medicine and health sciences in support of its
15 purpose as defined in section 15-52-01.
- 16 2. Biennially, the advisory council shall submit a report, together with its
17 recommendations, to the agencies, associations, and institutions represented on the
18 advisory council, to the university of North Dakota, and to the legislative council.
- 19 3. a. The report must describe the advisory council's recommendations regarding the
20 strategic plan, programs, and facilities of the school of medicine and health
21 sciences as developed under subsection 1. The recommendations for
22 implementing strategies through the school of medicine and health sciences or
23 other agencies and institutions must:
- 24 (1) Address the health care needs of the people of the state; ~~and~~
25 (2) Provide information regarding the state's health care workforce needs; and
26 (3) Provide information that specifies the contributions that the university of
27 North Dakota school of medicine and health sciences and the residency
28 training programs in the state are making to meet the health care provider
29 workforce needs of the state. Such information must include data regarding:

- 1 (a) The effectiveness of activities conducted throughout the state relating
2 to the recruitment and progression of students into medical school
3 and into the health care provider workforce;
4 (b) Class characteristics of the medical school matriculants, specifically to
5 include a description of their geographic background;
6 (c) Residency choices of medical school graduates;
7 (d) Practice location choices of graduates of North Dakota residencies;
8 and
9 (e) Any other relevant information that the university of North Dakota
10 school of medicine and health sciences advisory council determines
11 to be important and useful in assessing the degree of success of the
12 university of North Dakota school of medicine and health sciences in
13 meeting the health care workforce needs of the state as specified in
14 section 15-52-01.

15 b. The recommendations required under subdivision a may address:

- 16 (1) Medical education and training;
17 (2) The recruitment and retention of physicians and other health care
18 professionals;
19 (3) Factors influencing the practice environment for physicians and other health
20 care professionals;
21 (4) Access to health care;
22 (5) Patient safety;
23 (6) The quality of health care and the efficiency of its delivery; and
24 (7) Financial challenges in the delivery of health care.

25 4. The council may consult with any individual or entity in performing its duties under this
26 section.

27 **SECTION 14. AMENDMENT.** Section 15-52-05 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **15-52-05. Facilities.**

30 The university authorities shall make the facilities of the university of North Dakota school of
31 medicine and health sciences available to all agencies of the state, federal, and local

1 governments engaged in health and welfare activities to the fullest extent possible within the
2 limits of a complete and coordinated program for the use thereof on terms commensurate with
3 the cost of services rendered and facilities furnished. The work of the school of medicine and
4 health sciences must be coordinated with the work of the other departments of the university of
5 North Dakota. Means must be provided whereby regularly enrolled students in other schools or
6 departments of the university of North Dakota may, upon approval of the dean of such other
7 school or department, enroll in elective courses in the medical school and receive credit therefor
8 in the school or department in which they are regularly enrolled, subject to such policy and
9 procedures as may be established by the university of North Dakota and the state board of
10 higher education. Medical students may enroll in other departments and schools. Such action
11 must be taken as may serve to make both the school of medicine and health sciences and the
12 other departments and schools of the university of North Dakota more efficient and responsive
13 to needs of the people through the mutual interchange of facilities, and service, wherever
14 possible.

15 **SECTION 15. AMENDMENT.** Section 15-52-09 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15-52-09. Expenditure of proceeds of one-mill levy authorized - Limitation.**

18 The proceeds of the one-mill tax levy established by section 10 of article X of the
19 Constitution of North Dakota, together with any other funds that may be received by the state
20 treasurer, from time to time, for the benefit of the ~~North Dakota state medical center~~university of
21 North Dakota school of medicine and health sciences, must be expended to establish, develop,
22 and maintain the university of North Dakota school of medicine and health sciences, as
23 provided in this chapter, by the issuance of state warrants drawn on such funds by the director
24 of the office of management and budget.

25 **SECTION 16. AMENDMENT.** Section 15-52-31 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **15-52-31. Admission of students - Qualifications.**

28 The faculty of the school of medicine and health sciences at the university of North Dakota
29 may, with the advice of the school of medicine and health sciences advisory council and with
30 the approval of the state board of higher education and in accordance with applicable
31 accreditation requirements as specified by the liaison committee on medical education, adopt

1 such rules and regulations governing the education and residency qualifications of applicants
2 for admission to the school of medicine and health sciences as it deems necessary and proper
3 to carry out its purpose as provided in section 15-52-01.

4 **SECTION 17. AMENDMENT.** Section 15-62.2-02 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15-62.2-02. State board of higher education - Powers and duties.**

7 The state board of higher education shall:

- 8 1. Administer the North Dakota student financial assistance program and the North
9 Dakota scholars program and adopt functional rules regarding the eligibility and
10 selection of grant and scholarship recipients.
- 11 2. Determine the amount of individual grants, which may not exceed one thousand
12 ~~five~~six hundred ~~fifty~~ dollars per recipient per academic year, under the North Dakota
13 student financial assistance program.
- 14 3. For the North Dakota student financial assistance program, adopt criteria for
15 substantial need, based upon the ability of the parents or guardian to contribute
16 toward the applicant's educational expenses.
- 17 4. Establish the appropriate procedures for fiscal control, fund accounting, and necessary
18 reports.
- 19 5. Apply for, receive, expend, and administer granted moneys from federal or private
20 sources.

21 **SECTION 18. AMENDMENT.** Subsection 2 of section 15-70-04 of the North Dakota
22 Century Code is amended and reenacted as follows:

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

1 **SECTION 19. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-44.1-11. (Effective through July 31, 2013~~2015~~) Office of management and budget to**
4 **cancel unexpended appropriations - When they may continue.**

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

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

30 **(Effective after July 31, 2013~~2015~~) Office of management and budget to cancel**
31 **unexpended appropriations - When they may continue.** The office of management and

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

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

22 **SECTION 20. REPEAL.** Section 5 of Senate Bill No. 2018, as approved by the sixty-third
23 legislative assembly, is repealed.

24 **SECTION 21. SYSTEMWIDE FUNDING POOLS - TRANSFER AUTHORITY -**
25 **LEGISLATIVE MANAGEMENT REPORT.** The following line items contained in subdivision 1 of
26 section 1 of this Act include funding that may be transferred in full or in part ~~during the biennium~~
27 ~~beginning July 1, 2013;~~ for the period beginning with the effective date of this Act and ending
28 June 30, 2015, by the state board of higher education to the institutions and entities under its
29 control based on the recommendations of the commissioner of higher education as follows:

- 30 1. The deferred maintenance funding pool line item includes funding that must be used to
31 address deferred maintenance and other infrastructure needs at institutions based on

1 the university system master plan and space utilization study. However, the state
2 board of higher education may distribute up to one-half of the funds in the pool to
3 institutions prior to the completion of the master plan and space utilization study.

4 2. The education incentive programs line item includes funding that may be allocated to
5 education incentive programs based on program eligibility criteria and the reduction or
6 elimination of specific programs as determined by the board.

7 3. The performance funding pool line item includes funding that may be allocated to
8 institutions based on the institution meeting specified goals or other performance
9 measures as determined by the board. The funding in the performance funding pool
10 may not be used for the operations or any function of the university system office. The
11 state board of higher education shall consider any allocations from the oil and gas
12 impact grant fund to higher education institutions when determining allocations to
13 institutions from the performance funding pool. During the 2013-14 interim, the state
14 board of higher education shall provide a report to the legislative management
15 regarding the distribution of funds from the performance funding pool.

16 **SECTION 22. SYSTEM INFORMATION TECHNOLOGY SERVICES - OFFICE**

17 **CONSOLIDATION - ~~BUDGET SECTION REPORT~~ LEGISLATIVE MANAGEMENT REPORTS -**
18 **REPORT TO SIXTY-FOURTH LEGISLATIVE ASSEMBLY. ~~Within five years of~~ Upon the**

19 completion of the joint information technology building project on the campus of the university of
20 North Dakota, as approved by the sixty-second legislative assembly, the state board of higher
21 education shall ~~consolidate all~~ require system information technology services staff offices of
22 newly hired employees to be located in the building unless the position is specifically assigned
23 to an institution or the university system office. ~~The~~ During the 2013-14 interim, the state board
24 of higher education shall provide annual reports to the budget section and information
25 technology committee regarding the status of the consolidation of ~~the~~ university system
26 information technology services ~~offices until all offices are consolidated, including the location of~~
27 staff members providing those services. ~~Effective five years after the completion of the building~~
28 ~~project, the state board of higher education may not authorize the use of any other office space~~
29 ~~for system information technology services employees unless the consent of the legislative~~
30 ~~assembly or the budget section of the legislative management is received to use office space in~~
31 ~~a different location.~~ The university system shall provide a report to the appropriations

1 committees of the sixty-fourth legislative assembly regarding the consolidation of university
2 system information technology services and shall provide a comprehensive report of the budget
3 for all university system information technology services, including services provided by
4 institutions.

5 **SECTION 23. UNIVERSITY OF NORTH DAKOTA - RESEARCH ENTERPRISE AND**
6 **COMMERCIALIZATION BUILDING PURCHASE - BUDGET SECTION REPORT.** During the
7 ~~biennium period~~ beginning ~~July 1, 2013,~~with the effective date of this Act and ending June 30,
8 2015, the state board of higher education may enter a purchase and financing agreement or
9 agreements with a private entity and do all things necessary and proper to authorize the
10 purchase of the research enterprise and commercialization building on the campus of the
11 university of North Dakota using donations, gifts, or other funds. The state board of higher
12 education shall provide a report to the budget section if the research enterprise and
13 commercialization building is purchased as provided under this section.

14 **SECTION 24. CAPITAL PROJECTS CONTINGENCY POOL - TRANSFER AUTHORITY -**
15 **BUDGET SECTION REPORT.** The capital projects contingency pool line item contained in
16 subdivision 1 of section 1 of this Act includes funding that may be transferred to institutions for
17 capital projects as provided under this section. The state board of higher education may transfer
18 funds from the capital projects contingency pool to an institution if the lowest acceptable bid
19 received for a capital project exceeds the legislative appropriation provided for the project. The
20 board shall provide a prorated amount to institutions from the pool if the amount of funding
21 required for eligible projects exceeds available funding. An institution may only receive funding
22 from the pool for capital projects that receive a general fund appropriation and are authorized
23 under this Act. For purposes of this section, the "legislative appropriation provided for a project"
24 does not include funds appropriated from private donations and other local funds to enhance a
25 project. During the 2013-14 interim, the state board of higher education shall provide periodic
26 reports to the budget section regarding funds distributed from the capital projects contingency
27 pool.

28 **SECTION 25. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the
29 biennium beginning July 1, 2013, and ending June 30, 2015, each capital project authorized by
30 the state board of higher education must have adequate project management oversight by
31 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 26. BISMARCK STATE COLLEGE COMMUNICATIONS AND CREATIVE ARTS**
4 **CENTER.** The capital assets line item in subdivision 2 of section 1 of this Act includes the sum
5 of \$12,635,000 from the general fund and \$665,000 from special funds derived from donations
6 and other income for the Bismarck state college communications and creative arts center
7 project. The capital assets line item in subdivision 2 of section 1 of this Act also includes the
8 sum of \$6,000,000 from special funds derived from donations and other income which may be
9 used to construct a theater as part of the communications and creative arts center project. Up to
10 \$600,000 of the general fund appropriation for the project may be used to develop programming
11 at the communications and creative arts center that includes written and spoken
12 communications, visual and performing arts, social sciences, history, law, economics,
13 philosophy, and current events. Funding may be used for items including curriculum
14 development, student activities, faculty enhancement, public programming, and the
15 development and publication of appropriate media to promote these activities.

16 **SECTION 27. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH**
17 **SCIENCES BISMARCK FAMILY PRACTICE CENTER SKYWALK PROJECT.** The capital
18 assets line item in subdivision 5 of section 1 of this Act includes the sum of \$750,000 from the
19 general fund for the university of North Dakota school of medicine and health sciences
20 Bismarck family practice center skywalk project. The university of North Dakota shall provide
21 \$1 of nonstate funding for the project for every \$1 of funding used from the general fund
22 appropriation.

23 **SECTION 28. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH**
24 **SCIENCES FACILITY PROJECT - LOAN AUTHORIZATION.** The legislative assembly
25 authorizes the construction of the university of North Dakota school of medicine and health
26 sciences facility project to be funded in two phases as provided under this section. The capital
27 assets line item in subdivision 5 of section 1 of this Act includes the sum of \$60,450,000, or so
28 much of the sum as may be necessary, for phase 1 of the project. The university of North
29 Dakota may also seek funding from the capital projects contingency pool in accordance with
30 section 24 of this Act for costs associated with phase 1 of the project. During the biennium
31 beginning July 1, 2013, and ending June 30, 2015, and continuing into the biennium beginning

1 July 1, 2015, and ending June 30, 2017, the state board of higher education may borrow the
2 sum of \$62,000,000, or so much of the sum as may be necessary, from the Bank of North
3 Dakota for completion of phase 2 of the school of medicine and health sciences facility project.
4 The state board of higher education shall seek funding from the sixty-fourth legislative assembly
5 to repay the loan authorized under this section.

6 **SECTION 29. DICKINSON STATE UNIVERSITY - THEODORE ROOSEVELT CENTER -**
7 **THEODORE ROOSEVELT PRESIDENTIAL LIBRARY.** The operations line item in
8 subdivision 8 of section 1 of this Act includes the sum of \$800,000 for the Theodore Roosevelt
9 center. Of this amount, up to \$200,000 may be used for the planning and design of a facility to
10 house the Theodore Roosevelt presidential library.

11 **SECTION 30. MINOT STATE UNIVERSITY - FLOOD RECOVERY FUNDING.** The sum of
12 \$5,000,000 included in the operations line item in subdivision 10 of section 1 of this Act must be
13 used by Minot state university to address housing, budget, and other needs relating to the 2011
14 flood, including capital, as determined by the university.

15 **SECTION 31. NORTH DAKOTA STATE UNIVERSITY - MINARD HALL - BUDGET**
16 **SECTION REPORT.** North Dakota state university may use unspent funding from the
17 \$5,000,000 appropriation received during the biennium beginning July 1, 2007, and ending
18 June 30, 2009, and unspent funding from the \$13,000,000 appropriation received during the
19 biennium beginning July 1, 2009, and ending June 30, 2011, for the Minard hall project, for the
20 biennium beginning July 1, 2013, and ending June 30, 2015. North Dakota state university shall
21 report to the budget section regarding the status of the Minard hall project and may request
22 increased spending authorization from the budget section for the project.

23 **SECTION 32. STUDENT LOAN TRUST FUND.** Subdivision 1 of section 1 of this Act
24 includes the sum of \$1,004,744, or so much of the sum as may be necessary, from the student
25 loan trust fund of which \$465,307 is for the professional student exchange program and
26 \$539,437 is for connectND campus solution positions, for the biennium beginning July 1, 2013,
27 and ending June 30, 2015.

28 **SECTION 33. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH**
29 **SCIENCES OPERATIONS.** The operations line item in subdivision 5 of section 1 of this Act
30 includes ~~the sum of \$158,904,848, which~~ a funding allocation from the higher education per
31 student credit-hour funding formula attributable to inflation during the biennium beginning July 1,

1 2013, and ending June 30, 2015. A minimum of twenty-five percent of the allocation must be
2 transferred, ~~in part,~~ by the state board of higher education, ~~based on the recommendation of the~~
3 ~~commissioner of higher education,~~ to the university of North Dakota school of medicine and
4 health sciences ~~for operations consistent with the higher education per student credit-hour~~
5 ~~funding formula~~ based on the recommendation of the commissioner of higher education.

6 **SECTION 34. FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION.** All funds,
7 in addition to those appropriated in section 1 of this Act, from federal, private, and other sources
8 for competitive grants or other funds that the legislative assembly has not indicated the intent to
9 reject, including tuition revenue, received by the institutions and entities under the control of the
10 state board of higher education are appropriated to those institutions and entities, for the
11 biennium beginning July 1, 2013, and ending June 30, 2015. All additional funds received under
12 the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2013,
13 and ending June 30, 2015, are appropriated to the state board of higher education for
14 reimbursement to institutions under the control of the board.

15 **SECTION 35. TRANSFER AUTHORITY.** If, during the biennium beginning July 1, 2013,
16 and ending June 30, 2015, the state board of higher education determines that funds allocated
17 to operations in section 1 of this Act are needed for capital assets, the board may transfer funds
18 from operations to capital assets. The board shall report any transfer of funds under this section
19 to the office of management and budget.

20 **SECTION 36. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding
21 any other provisions of law, the state board of higher education may adjust full-time equivalent
22 positions as needed, subject to the availability of funds, for institutions and entities under its
23 control during the biennium beginning July 1, 2013, and ending June 30, 2015. The North
24 Dakota university system shall report any adjustments to the office of management and budget
25 before the submission of the 2015-17 biennium budget request.

26 **SECTION 37. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The state board of
27 higher education, in accordance with chapter 15-55, may arrange for the funding of projects
28 authorized in this section, declared to be in the public interest, through the issuance of
29 self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, beginning with the
30 effective date of this Act and ending June 30, 2015. Evidences of indebtedness issued pursuant
31 to this section are not a general obligation of the state of North Dakota. Any unexpended

1 balance resulting from the proceeds of the evidences of indebtedness must be placed in a
2 sinking fund to be used for the retirement of indebtedness. The evidences of indebtedness may
3 be issued and the proceeds are appropriated in section 1 of this Act for the following capital
4 projects:

5 University of North Dakota - Student housing facility	\$19,187,262
6 University of North Dakota - Wilkerson hall dining center	29,000,000
7 University of North Dakota - Resident apartment building	<u>8,300,000</u>
8 Total special funds	\$56,487,262

9 **SECTION 38. LEGISLATIVE MANAGEMENT REPORT - POSTSECONDARY ACADEMIC**

10 **MATCHING GRANTS.** Before October 1, 2014, the state board of higher education shall
11 provide a report to the legislative management regarding the number of matching grants that
12 were sought, the number that were awarded, and the manner in which the grants were used as
13 provided in sections 5 through 10 of this Act.

14 **SECTION 39. LEGISLATIVE MANAGEMENT STUDY - STATE AGENCY LEGAL**

15 **SERVICES.** During the 2013-14 interim, the legislative management shall consider studying
16 legal services provided by attorneys in executive branch state agencies. The study, if
17 conducted, must review the services provided by attorneys in each agency, supervision of the
18 attorneys in each agency, and whether the attorneys are classified as assistant or special
19 assistant attorneys general. The study must also review the use of contracted legal services by
20 each agency. The legislative management shall report its findings and recommendations,
21 together with any legislation needed to implement the recommendations, to the sixty-fourth
22 legislative assembly.

23 **SECTION 40. EXPIRATION DATE.** Sections 5 through 10 of this Act are effective through
24 June 30, 2015, and after that date are ineffective.

25 **SECTION 41. EMERGENCY.** Sections ~~3 and 18~~21, 23, 27, 28, 29, 30, and 37 of this Act;
26 \$200,000 included in the operations line item in subdivision 8 of section 1 of this Act for the
27 Theodore Roosevelt center; \$5,000,000 included in the operations line item in subdivision 10 of
28 section 1 of this Act for flood recovery funding; and the capital assets, master plan and space
29 utilization study. and deferred maintenance pool line items contained in section 1 of this Act are
30 declared to be an emergency measure.