

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2003

- Page 1, line 2, after "system" insert "; to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to approval of capital projects requested by institutions under the control of the state board of higher education"
- Page 1, line 2, after "sections" insert "15-10-48, 15-10-49,"
- Page 2, line 2, after "15-18.2-05" insert ", 54-10-22.1,"
- Page 1, line 3, after "to" insert "matching grants for institutions under the control of the state board of higher education,"
- Page 1, line 3, after "institutions" insert ", protecting donor records from audits of university and college foundations"
- Page 1, line 4, after "appropriations" insert "; to repeal chapter 15-10.2 of the North Dakota Century Code, relating to the midwestern higher education compact"
- Page 1, line 5, replace "exemptions" with "an exemption; to authorize the conveyance of real property owned by the state of North Dakota"
- Page 1, remove lines 15 through 24
- Page 2, remove lines 1 through 30
- Page 3, remove lines 1 through 30
- Page 4, remove lines 1 through 30
- Page 5, remove lines 1 through 30
- Page 6, remove lines 1 through 30
- Page 7, replace lines 1 through 5 with:
"Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Capital assets - bond payments	\$6,901,461	(\$296,135)	\$6,605,326
Competitive research programs	6,588,225	(560,475)	6,027,750
System governance	7,212,636	1,180,602	8,393,238
Title II	1,006,472	0	1,006,472
Core technology services	41,325,593	20,201,754	61,527,347
Student financial assistance grants	23,886,160	(1,968,854)	21,917,306
Professional student exchange program	3,941,754	(242,412)	3,699,342
Academic and technical education scholarship	13,134,096	(1,117,347)	12,016,749
Two-year campus marketing	747,600	(290,100)	457,500
Scholars program	2,113,584	(306,469)	1,807,115
Native American scholarship	649,267	(93,944)	555,323

Tribally controlled community college grants	967,250	(367,250)	600,000
Education incentive programs	3,349,000	(485,607)	2,863,393
Student mental health	308,100	(23,700)	284,400
Veterans' assistance grants	325,000	(47,125)	277,875
Commendation grants	4,486	(4,486)	0
Internal audit pool	280,350	(280,350)	0
Shared campus services	0	500,000	500,000
Two-year campus study	<u>0</u>	<u>40,000</u>	<u>40,000</u>
Total all funds	\$112,741,034	\$15,838,102	\$128,579,136
Less estimated income	<u>2,511,216</u>	<u>23,700,890</u>	<u>26,212,106</u>
Total general fund	\$110,229,818	(\$7,862,788)	\$102,367,030
Full-time equivalent positions	104.39	45.01	149.40

Subdivision 2.

BISMARCK STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$34,214,004	\$67,456,030	\$101,670,034
Capital assets	<u>67,732</u>	<u>1,854,829</u>	<u>1,922,561</u>
Total all funds	\$34,281,736	\$69,310,859	\$103,592,595
Less estimated income	<u>0</u>	<u>72,991,998</u>	<u>72,991,998</u>
Total general fund	\$34,281,736	(\$3,681,139)	\$30,600,597
Full-time equivalent positions	133.53	224.82	358.35

Subdivision 3.

LAKE REGION STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$14,143,353	\$22,305,695	\$36,449,048
Capital assets	<u>0</u>	<u>362,667</u>	<u>362,667</u>
Total all funds	\$14,143,353	\$22,668,362	\$36,811,715
Less estimated income	<u>0</u>	<u>24,111,092</u>	<u>24,111,092</u>
Total general fund	\$14,143,353	(\$1,442,730)	\$12,700,623
Full-time equivalent positions	50.19	79.42	129.61

Subdivision 4.

WILLISTON STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$9,191,151	\$17,762,982	\$26,954,133
Capital assets	<u>197,801</u>	<u>1,064,167</u>	<u>1,261,968</u>
Total all funds	\$9,388,952	\$18,827,149	\$28,216,101
Less estimated income	<u>0</u>	<u>19,855,598</u>	<u>19,855,598</u>
Total general fund	\$9,388,952	(\$1,028,449)	\$8,360,503
Full-time equivalent positions	49.96	50.79	100.75

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$146,572,961	\$711,098,824	\$857,671,785
Capital assets	<u>4,411,566</u>	<u>91,000,000</u>	<u>95,411,566</u>
Total all funds	\$150,984,527	\$802,098,824	\$953,083,351
Less estimated income	<u>0</u>	<u>819,870,450</u>	<u>819,870,450</u>
Total general fund	\$150,984,527	(\$17,771,626)	\$133,212,901
Full-time equivalent positions	630.20	1,587.87	2,218.07

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$144,323,680	\$584,579,587	\$728,903,267
Capital assets	<u>2,732,244</u>	<u>82,571,860</u>	<u>85,304,104</u>
Total all funds	\$147,055,924	\$667,151,447	\$814,207,371
Less estimated income	<u>0</u>	<u>689,386,329</u>	<u>689,386,329</u>
Total general fund	\$147,055,924	(\$22,234,882)	\$124,821,042
Full-time equivalent positions	537.10	1,358.56	1,895.66

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$40,916,239	\$50,386,085	\$91,302,324
Capital assets	<u>0</u>	<u>1,012,379</u>	<u>1,012,379</u>
Total all funds	\$40,916,239	\$51,398,464	\$92,314,703
Less estimated income	<u>0</u>	<u>57,605,613</u>	<u>57,605,613</u>
Total general fund	\$40,916,239	(\$6,207,149)	\$34,709,090
Full-time equivalent positions	168.30	176.74	345.04

Subdivision 8.

DICKINSON STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$24,527,233	\$22,500,073	\$47,027,306
Capital assets	<u>0</u>	<u>409,078</u>	<u>409,078</u>
Total all funds	\$24,527,233	\$22,909,151	\$47,436,384
Less estimated income	<u>0</u>	<u>29,737,827</u>	<u>29,737,827</u>
Total general fund	\$24,527,233	(\$6,828,676)	\$17,698,557
Full-time equivalent positions	120.26	48.64	168.90

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$15,642,731	\$28,395,030	\$44,037,761

Capital assets	<u>0</u>	<u>358,992</u>	<u>358,992</u>
Total all funds	\$15,642,731	\$28,754,022	\$44,396,753
Less estimated income	<u>0</u>	<u>30,307,148</u>	<u>30,307,148</u>
Total general fund	\$15,642,731	(\$1,553,126)	\$14,089,605
Full-time equivalent positions	66.23	144.30	210.53

Subdivision 10.

MINOT STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$45,037,266	\$55,564,723	\$100,601,989
Capital assets	<u>499,620</u>	<u>600,000</u>	<u>1,099,620</u>
Total all funds	\$45,536,886	\$56,164,723	\$101,701,609
Less estimated income	<u>0</u>	<u>62,058,916</u>	<u>62,058,916</u>
Total general fund	\$45,536,886	(\$5,894,193)	\$39,642,693
Full-time equivalent positions	204.10	237.55	441.65

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$23,218,126	\$24,988,210	\$48,206,336
Capital assets	<u>0</u>	<u>455,823</u>	<u>455,823</u>
Total all funds	\$23,218,126	\$25,444,033	\$48,662,159
Less estimated income	<u>0</u>	<u>28,470,657</u>	<u>28,470,657</u>
Total general fund	\$23,218,126	(\$3,026,624)	\$20,191,502
Full-time equivalent positions	105.59	97.16	202.75

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$8,017,920	\$9,041,905	\$17,059,825
Capital assets	<u>86,537</u>	<u>27,470</u>	<u>114,007</u>
Total all funds	\$8,104,457	\$9,069,375	\$17,173,832
Less estimated income	<u>0</u>	<u>9,629,173</u>	<u>9,629,173</u>
Total general fund	\$8,104,457	(\$559,798)	\$7,544,659
Full-time equivalent positions	46.96	37.34	84.30

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$53,166,247	\$158,723,654	\$211,889,901
Total all funds	\$53,166,247	\$158,723,654	\$211,889,901
Less estimated income	<u>0</u>	<u>151,578,620</u>	<u>151,578,620</u>

Total general fund	\$53,166,247	\$7,145,034	\$60,311,281
Full-time equivalent positions	184.58	251.17	435.75

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$6,228,620	\$8,729,827	\$14,958,447
Capital assets	101,210	17,518	118,728
Total all funds	\$6,329,830	\$8,747,345	\$15,077,175
Less estimated income	1,650,000	9,000,748	10,650,748
Total general fund	\$4,679,830	(\$253,403)	\$4,426,427
Full-time equivalent positions	28.96	(1.96)	27.00

Subdivision 15.

BILL TOTAL

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$681,876,059	(\$71,199,549)	\$610,676,510
Grand total special funds	4,161,216	2,028,305,059	2,032,466,275
Grand total all funds	\$686,037,275	\$1,957,105,510	\$2,643,142,785

SECTION 2. HEALTH INSURANCE INCREASE. Section 1 of this Act includes the sum of \$17,991,140, of which \$5,638,788 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 7, line 6, after "**FUNDING**" insert "**EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 7, line 7, after "biennium" insert "and the 2017-19 biennium one-time funding items included in section 1 of this Act"

Page 7, replace lines 24 through 27 with:

"Education challenge grants	22,124,500	0
Two-year campus study	0	40,000
Midwestern higher education compact dues	0	230,000
Total all funds	\$216,821,350	\$270,000
Total other funds	60,848,194	0
Total general fund	\$155,973,156	\$270,000

The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The North Dakota university system shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 4. AMENDMENT. Section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

15-10-48. Advancement of academics - Matching grants - University of North Dakota and North Dakota state university.

1. a. During the period beginning July 1, 2015, and ending December 31, 2016 Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of the university of North Dakota and North Dakota state university for projects dedicated exclusively to the advancement of academics.
 - b. To be eligible for a matching grant, an institution must demonstrate that:
 - (1) Its foundation has raised at least fifty thousand dollars in cash or monetary pledges for a qualifying project; and
 - (2) The project has been approved by the grant review committee established in section 15-10-51.
 - c. The board may award up to seven million dollars in matching grants to each institution. The first two million dollars in matching grants awarded to each institution must be used for student scholarships that comply with section 15-10-53.
2. a. If any available dollars have not been awarded by the board before January 1, 2017first of each odd-numbered year, in accordance with subsection 1, either the university of North Dakota or North Dakota state university may apply for an additional matching grant.
 - b. An application submitted under this subsection must meet the same criteria as an original application.
 - c. The board shall consider each application submitted under this subsection in chronological order.
 - d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

SECTION 5. AMENDMENT. Section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

15-10-49. Advancement of academics - Matching grants - Two-year and four-year institutions of higher education.

1. a. During the period beginning July 1, 2015, and ending December 31, 2016 Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of Bismarck state

college, Dakota college at Bottineau, Dickinson state university, Lake Region state college, Mayville state university, Minot state university, North Dakota state college of science, Valley City state university, and Williston state college for projects dedicated exclusively to the advancement of academics.

- b. To be eligible for a matching grant, an institution must demonstrate that:
 - (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and
 - (2) The project has been approved by the grant review committee established in section 15-10-51.
- c. The board may award up to one million dollars in matching grants to each institution.
- 2. a. If any available dollars have not been awarded by the board before January 4, 2017~~first of each odd-numbered year~~, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall consider each application submitted under this subsection in chronological order.
- d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
- 3. a. The board may award an additional five hundred thousand dollars in matching grants to institutions that have been awarded one million dollars in matching grants under subsection 1 and apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall consider each application submitted under this subsection in chronological order.
- d. If the funding provided under this subsection is insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
- 4. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

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

Capital project and capital lease requests - Maintenance reserve account.

1. An institution under the control of the state board of higher education must receive approval from the legislative assembly before the construction, purchase, lease, receipt, or utilization of any building or facility.
2. An institution under the control of the board must receive approval from the legislative assembly before constructing an addition to or renovating a building or facility if the cost of the addition or renovation exceeds seven hundred thousand dollars. This subsection does not apply to projects authorized by the budget section of the legislative management under section 15-10-12.1.
3. An institution under the control of the board may only seek approval from the legislative assembly under subsection 1 or 2 if the building or facility conforms to a campus master plan and space utilization study approved by the board.
4. An institution seeking approval under subsection 1 or 2 shall include funding for maintenance reserves in its request if the estimated cost of the project, or the appraised value of a building or facility being purchased or received, exceeds five million dollars. The maintenance reserve funds must total at least three percent of the cost of the project or the appraised value of the building or facility. If the request is approved by the legislative assembly, the maintenance reserve funds must be deposited in an account under the control of the state board of higher education to be used only for future maintenance costs of the building or facility approved under this section."

Page 8, line 5, replace "\$58.69" with "\$58.65"

Page 8, line 7, replace "\$87.03" with "\$86.95"

Page 8, line 9, replace "\$93.12" with "\$93.03"

Page 8, after line 11, insert:

"SECTION 8. AMENDMENT. Section 54-10-22.1 of the North Dakota Century Code is amended and reenacted as follows:

54-10-22.1. State auditor's access to information relating to operations of governmental entities subject to audit.

Notwithstanding any other specific sections of law, the state auditor and persons employed by the state auditor, when necessary in conducting an audit, shall have access to all information relating to operations of all governmental units or component units subject to audit except active investigatory work product of the attorney general as defined in section 44-04-19.1 and financial records and estate planning records a donor provides to a nonprofit organization affiliated with an institution under the control of the state board of higher education which provides support to and is organized and operated for the benefit of the institution. Except for active investigatory work product of the attorney general as defined in section 44-04-19.1 and tax records as described in section 54-10-24, the state auditor may inspect any state agency's books, papers, accounts, or records that may be relevant to an ongoing audit of any other state agency or computer system audit. The state auditor and persons employed by the state auditor examining any information, which is

confidential by law, shall guard the secrecy of such information except when otherwise directed by judicial order or as is otherwise provided by law."

Page 10, after line 1, insert:

"SECTION 10. REPEAL. Chapter 15-10.2 of the North Dakota Century Code is repealed."

Page 10, line 24, replace "\$15,200,000" with "\$11,806,856"

Page 10, after line 29, insert:

"SECTION 14. STATEWIDE MEMBERSHIP DUES. Subdivision 1 of section 1 of this Act includes the sum of \$294,000 for membership dues for the western interstate commission for higher education. Subdivision 1 of section 1 of this Act includes the sum of \$230,000 of one-time funding for membership dues of the midwestern higher education compact.

SECTION 15. UNIVERSITY OF NORTH DAKOTA ENERGY AND ENVIRONMENTAL RESEARCH CENTER - PAYMENTS TO THE UNIVERSITY OF NORTH DAKOTA. During the biennium beginning July 1, 2017, and ending June 30, 2019, the university of North Dakota may not enter or continue any contractual agreement with the energy and environmental research center which would require the energy and environmental research center to reimburse the university in an amount exceeding five hundred thousand dollars per year for facilities, administrative, or other costs."

Page 11, line 1, replace "between" with "from"

Page 11, line 1, replace "and" with "to the"

Page 11, line 10, replace "before" with "as part of"

Page 12, replace lines 1 through 10 with:

"SECTION 20. EXEMPTION - STUDENT FINANCIAL ASSISTANCE GRANTS. Of the \$25,634,276 appropriated from the general fund in the student financial assistance grants line item in subdivision 1 of section 1 of chapter 3 of the 2015 Session Laws, \$4,000,000 is not subject to section 54-44.1-11 and must be canceled by the office of management and budget on the effective date of this section."

Page 12, line 16, replace "three" with "four"

Page 12, line 22, replace "three" with "four"

Page 12, remove lines 25 through 31

Page 13, remove lines 1 through 4

Page 13, line 5, replace "4." with "3."

Page 13, line 5, after "for" insert "graduate level"

Page 13, line 5, after "programs" insert ", including programs"

Page 13, line 8, replace "5." with "4."

Page 13, line 12, replace "6." with "5."

Page 13, line 15, replace "7." with "6."

Page 13, line 24, remove ", excluding tuition revenue generated

Page 13, line 25, remove "specifically for extraordinary repairs and deferred maintenance needs,"

Page 13, after line 26, insert:

"SECTION 23. TRANSFER OF LAND AUTHORIZED. The state of North Dakota, by and through the state board of higher education, shall convey certain real property consisting of approximately 0.8 acres parallel and adjacent to the BNSF railway company right-of-way in Cass County, North Dakota, known as parcel number 01-3504-08500-000 in the records of Cass County, North Dakota, to BNSF railway company, if determined appropriate by the state board of higher education and the commissioner of university and school lands. The terms of the conveyance must be determined jointly by the state board of higher education or a designee of the board and the commissioner of university and school lands. North Dakota Century Code sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer authorized by this section.

SECTION 24. TRANSFER OF LAND AUTHORIZED. The state of North Dakota, by and through the state board of higher education, may convey certain real property known as Dakota hall or airport addition, 1015 north forty-third street, lot h, replat of lot 1 & 2, b 3 block 3 & part northwest ¼ of northwest ¼ section 6-151-60 in the records of the city of Grand Forks, if determined appropriate by the state board of higher education. If any of the real property authorized to be conveyed under this section is conveyed, the terms of the conveyance must be determined jointly by the state board of higher education or a designee of the board and the commissioner of university and school lands. North Dakota Century Code sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer authorized by this section.

SECTION 25. TRANSFER OF LAND AUTHORIZED. The state of North Dakota, by and through the state board of higher education, may convey certain real property known as Ray Richard's golf course or Ray Richard's golf course addition, 3801 demers avenue, lot 1, block 1, and Ray Richard's golf course addition, 3501 demers avenue, lot 2, block 1, in the records of the city of Grand Forks, if determined appropriate by the state board of higher education. If any of the real property authorized to be conveyed under this section is conveyed, the terms of the conveyance must be determined by the state board of higher education or a designee of the board. North Dakota Century Code sections 54-01-5.2 and 54-01-05.5 do not apply to the transfer authorized by this section.

SECTION 26. TRANSFER OF DAKOTA INSTITUTE INVENTORY. The parks and recreation department shall transfer the name Dakota institute and all rights, title, interests, and copyrights and up to eighty percent of any remaining inventory of any Dakota institute publication, book, or other document or production, regardless of format, to Bismarck state college. Bismarck state college may transfer any rights, title, interests, copyrights, inventory of any of the Dakota institute's publications, books, or other documents or productions, regardless of format, to the author or producer of the document or production.

SECTION 27. RESEARCH NETWORKS - REPORT TO THE LEGISLATIVE MANAGEMENT. During the biennium beginning July 1, 2017, and ending June 30, 2019, the state board of higher education, in association with the research institutions

under its control, shall consider opportunities for collaboration on high-performance computing, data analytics, and connectivity to Minnesota research networks to improve access, increase capacity, and create efficiencies. The board may utilize appropriations and reserves designated for the northern tier network to accommodate continued use of existing research networks and to expand network capabilities. The board shall consider developing policies and procedures to authorize private entities to utilize the research network. During the 2017-18 interim, the state board of higher education shall provide a report to the legislative management regarding the status of efforts to collaborate with Minnesota entities for research network purposes.

SECTION 28. STATE BOARD OF HIGHER EDUCATION - STUDY OF THE REORGANIZATION OF TWO-YEAR INSTITUTIONS - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. During the period beginning July 1, 2017, and ending December 31, 2018, the state board of higher education shall study the reorganization of the two-year institutions under its control into a community and technology college system that addresses workforce and education needs of the state. As part of the study, the board shall consider:

1. Shared administration;
2. Shared courses, including a common course catalog;
3. Articulation agreements linking elementary and secondary education, career academies, and career and technical education to postsecondary certificates and associate's degrees;
4. Centralized processing of student admissions, housing applications, financial aid, and advising; and
5. Centralized services, including bookstore operations, food services, marketing, procurement, accounting, and human resources.

The state board of higher education shall approve and present a plan to implement the recommendations of its study to reorganize two-year institutions, including drafts of legislation necessary to implement the recommendations, to the appropriations committees of the sixty-sixth legislative assembly.

SECTION 29. STATE BOARD OF HIGHER EDUCATION - STUDY OF NURSING PROGRAMS - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY. During the period beginning July 1, 2017, and ending December 31, 2018, the state board of higher education shall study the reorganization of nursing programs at institutions under its control. As part of the study, the board shall review the number of institutions offering nursing programs, the level of programs offered, and the locations of programs. The board shall consider options to develop collaborations among institutions to offer programs in an efficient and effective manner to address the workforce needs of the state.

The state board of higher education shall approve and present a plan to implement the recommendations of its study to reorganize nursing programs, including drafts of legislation necessary to implement the recommendations, to the appropriations committees of the sixty-sixth legislative assembly."

Page 14, line 2, after the period insert "Inconsistent employee leave policies;

3."

Page 14, line 3, replace "3." with "4."

Page 14, after line 15, insert:

"SECTION 32. LEGISLATIVE INTENT - NORTH DAKOTA STATE UNIVERSITY - LEASE ARRANGEMENT AND OTHER SAVINGS. It is the intent of the sixty-fifth legislative assembly that future general fund appropriations in support of the North Dakota state university department of nursing program in Bismarck be adjusted for savings resulting from facility lease negotiations and for credit hours completed at the school."

Page 14, line 16, replace "11" with "19"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
University System Office				
Total all funds	\$112,741,034	\$128,050,560	\$528,576	\$128,579,136
Less estimated income	2,511,216	26,221,124	(9,018)	26,212,106
General fund	<u>\$110,229,818</u>	<u>\$101,829,436</u>	<u>\$537,594</u>	<u>\$102,367,030</u>
Bismarck State College				
Total all funds	\$34,281,736	\$103,672,280	(\$79,685)	\$103,592,595
Less estimated income	0	73,042,557	(50,559)	72,991,998
General fund	<u>\$34,281,736</u>	<u>\$30,629,723</u>	<u>(\$29,126)</u>	<u>\$30,600,597</u>
Lake Region State College				
Total all funds	\$14,143,353	\$36,841,308	(\$29,593)	\$36,811,715
Less estimated income	0	24,128,597	(17,505)	24,111,092
General fund	<u>\$14,143,353</u>	<u>\$12,712,711</u>	<u>(\$12,088)</u>	<u>\$12,700,623</u>
Williston State College				
Total all funds	\$9,388,952	\$28,234,797	(\$18,696)	\$28,216,101
Less estimated income	0	19,866,337	(10,739)	19,855,598
General fund	<u>\$9,388,952</u>	<u>\$8,368,460</u>	<u>(\$7,957)</u>	<u>\$8,360,503</u>
University of North Dakota				
Total all funds	\$150,984,527	\$954,549,309	(\$1,465,958)	\$953,083,351
Less estimated income	0	820,277,023	(406,573)	819,870,450
General fund	<u>\$150,984,527</u>	<u>\$134,272,286</u>	<u>(\$1,059,385)</u>	<u>\$133,212,901</u>
UND Medical Center				
Total all funds	\$53,166,247	\$211,889,901	\$0	\$211,889,901
Less estimated income	0	154,971,764	(3,393,144)	151,578,620
General fund	<u>\$53,166,247</u>	<u>\$56,918,137</u>	<u>\$3,393,144</u>	<u>\$60,311,281</u>
North Dakota State University				
Total all funds	\$147,055,924	\$791,473,400	\$22,733,971	\$814,207,371
Less estimated income	0	661,687,739	27,698,590	689,386,329
General fund	<u>\$147,055,924</u>	<u>\$129,785,661</u>	<u>(\$4,964,619)</u>	<u>\$124,821,042</u>
State College of Science				
Total all funds	\$40,916,239	\$92,765,243	(\$450,540)	\$92,314,703
Less estimated income	0	57,642,469	(36,856)	57,605,613
General fund	<u>\$40,916,239</u>	<u>\$35,122,774</u>	<u>(\$413,684)</u>	<u>\$34,709,090</u>
Dickinson State University				
Total all funds	\$24,527,233	\$49,884,817	(\$2,448,433)	\$47,436,384
Less estimated income	0	29,750,982	(13,155)	29,737,827
General fund	<u>\$24,527,233</u>	<u>\$20,133,835</u>	<u>(\$2,435,278)</u>	<u>\$17,698,557</u>
Mayville State University				
Total all funds	\$15,642,731	\$44,602,708	(\$205,955)	\$44,396,753
Less estimated income	0	30,339,206	(32,058)	30,307,148

General fund	\$15,642,731	\$14,263,502	(\$173,897)	\$14,089,605
Minot State University				
Total all funds	\$45,536,886	\$101,902,897	(\$201,288)	\$101,701,609
Less estimated income	0	62,113,151	(54,235)	62,058,916
General fund	\$45,536,886	\$39,789,746	(\$147,053)	\$39,642,693
Valley City State University				
Total all funds	\$23,218,126	\$48,943,340	(\$281,181)	\$48,662,159
Less estimated income	0	28,493,914	(23,257)	28,470,657
General fund	\$23,218,126	\$20,449,426	(\$257,924)	\$20,191,502
Dakota College at Bottineau				
Total all funds	\$8,104,457	\$17,298,907	(\$125,075)	\$17,173,832
Less estimated income	0	9,638,678	(9,505)	9,629,173
General fund	\$8,104,457	\$7,660,229	(\$115,570)	\$7,544,659
Forest Service				
Total all funds	\$6,329,830	\$15,082,774	(\$5,599)	\$15,077,175
Less estimated income	1,650,000	10,650,748	0	10,650,748
General fund	\$4,679,830	\$4,432,026	(\$5,599)	\$4,426,427
Bill total				
Total all funds	\$686,037,275	\$2,625,192,241	\$17,950,544	\$2,643,142,785
Less estimated income	4,161,216	2,008,824,289	23,641,986	2,032,466,275
General fund	\$681,876,059	\$616,367,952	(\$5,691,442)	\$610,676,510

Senate Bill No. 2003 - North Dakota University System - General Fund Summary

	Base Budget	Senate Version	House Changes	House Version
University System Office	\$110,229,818	\$101,829,436	\$537,594	\$102,367,030
Bismarck State College	34,281,736	30,629,723	(29,126)	30,600,597
Lake Region State College	14,143,353	12,712,711	(12,088)	12,700,623
Williston State College	9,388,952	8,368,460	(7,957)	8,360,503
University of North Dakota	150,984,527	134,272,286	(1,059,385)	133,212,901
UND Medical Center	53,166,247	56,918,137	3,393,144	60,311,281
North Dakota State University	147,055,924	129,785,661	(4,964,619)	124,821,042
State College of Science	40,916,239	35,122,774	(413,684)	34,709,090
Dickinson State University	24,527,233	20,133,835	(2,435,278)	17,698,557
Mayville State University	15,642,731	14,263,502	(173,897)	14,089,605
Minot State University	45,536,886	39,789,746	(147,053)	39,642,693
Valley City State University	23,218,126	20,449,426	(257,924)	20,191,502
Dakota College at Bottineau	8,104,457	7,660,229	(115,570)	7,544,659
Forest Service	4,679,830	4,432,026	(5,599)	4,426,427
Total general fund	\$681,876,059	\$616,367,952	(\$5,691,442)	\$610,676,510

Detail of House changes to the General Fund

	Adjusts Funding for University System Office ¹	Adjusts Funding for Campuses ²	Adjusts Funding Source for Residency Positions ³	Adds Funding for Capital Project ⁴	Adjusts Funding for Forest Service ⁵	Total General Fund Changes
University System Office	\$537,594					\$537,594
Bismarck State College		(29,126)				(29,126)
Lake Region State College		(12,088)				(12,088)
Williston State College		(7,957)				(7,957)
University of North Dakota		(1,059,385)				(1,059,385)
UND Medical Center			3,393,144			3,393,144
North Dakota State University		(4,964,619)				(4,964,619)
State College of Science		(413,684)				(413,684)
Dickinson State University		(2,435,278)				(2,435,278)
Mayville State University		(173,897)				(173,897)
Minot State University		(147,053)				(147,053)
Valley City State University		(257,924)				(257,924)
Dakota College at Bottineau		(115,570)				(115,570)
Forest Service					(5,599)	(5,599)
Total general fund	\$537,594	(\$9,616,581)	\$3,393,144	\$0	(\$5,599)	(\$5,691,442)

Senate Bill No. 2003 - North Dakota University System - Other Funds Summary

	Base Budget	Senate Version	House Changes	House Version
University System Office	\$2,511,216	\$26,221,124	(\$9,018)	\$26,212,106
Bismarck State College		73,042,557	(50,559)	72,991,998
Lake Region State College		24,128,597	(17,505)	24,111,092
Williston State College		19,866,337	(10,739)	19,855,598
University of North Dakota		820,277,023	(406,573)	819,870,450
UND Medical Center		154,971,764	(3,393,144)	151,578,620
North Dakota State University		661,687,739	27,698,590	689,386,329
State College of Science		57,642,469	(36,856)	57,605,613
Dickinson State University		29,750,982	(13,155)	29,737,827
Mayville State University		30,339,206	(32,058)	30,307,148
Minot State University		62,113,151	(54,235)	62,058,916
Valley City State University		28,493,914	(23,257)	28,470,657
Dakota College at Bottineau		9,638,678	(9,505)	9,629,173
Forest Service	1,650,000	10,650,748		10,650,748
Total other funds	\$4,161,216	\$2,008,824,289	\$23,641,986	\$2,032,466,275

Detail of House changes to Other Funds

	Adjusts Funding for University System Office ¹	Adjusts Funding for Campuses ²	Adjusts Funding Source for Residency Positions ³	Adds Funding for Capital Project ⁴	Adjusts Funding for Forest Service ⁵	Total Other Funds Changes
University System Office	(\$9,018)					(\$9,018)
Bismarck State College		(50,559)				(50,559)
Lake Region State College		(17,505)				(17,505)
Williston State College		(10,739)				(10,739)
University of North Dakota		(406,573)				(406,573)
UND Medical Center			(3,393,144)			(3,393,144)
North Dakota State University		(301,410)		28,000,000		27,698,590
State College of Science		(36,856)				(36,856)
Dickinson State University		(13,155)				(13,155)
Mayville State University		(32,058)				(32,058)
Minot State University		(54,235)				(54,235)
Valley City State University		(23,257)				(23,257)
Dakota College at Bottineau		(9,505)				(9,505)
Forest Service						
Total other funds	(\$9,018)	(\$955,852)	(\$3,393,144)	\$28,000,000	\$0	\$23,641,986

Senate Bill No. 2003 - North Dakota University System - All Funds Summary

	Base Budget	Senate Version	House Changes	House Version
University System Office	\$112,741,034	\$128,050,560	\$528,576	\$128,579,136
Bismarck State College	34,281,736	103,672,280	(79,685)	103,592,595
Lake Region State College	14,143,353	36,841,308	(29,593)	36,811,715
Williston State College	9,388,952	28,234,797	(18,696)	28,216,101
University of North Dakota	150,984,527	954,549,309	(1,465,958)	953,083,351
UND Medical Center	53,166,247	211,889,901		211,889,901
North Dakota State University	147,055,924	791,473,400	22,733,971	814,207,371
State College of Science	40,916,239	92,765,243	(450,540)	92,314,703
Dickinson State University	24,527,233	49,884,817	(2,448,433)	47,436,384
Mayville State University	15,642,731	44,602,708	(205,955)	44,396,753
Minot State University	45,536,886	101,902,897	(201,288)	101,701,609
Valley City State University	23,218,126	48,943,340	(281,181)	48,662,159
Dakota College at Bottineau	8,104,457	17,298,907	(125,075)	17,173,832
Forest Service	6,329,830	15,082,774	(5,599)	15,077,175
Total all funds	\$686,037,275	\$2,625,192,241	\$17,950,544	\$2,643,142,785
FTE	2430.35	6765.76	2.00	6767.76

Detail of House changes to All Funds

	Adjusts Funding for University System Office ¹	Adjusts Funding for Campuses ²	Adjusts Funding Source for Residency Positions ³	Adds Funding for Capital Project ⁴	Adjusts Funding for Forest Service ⁵	Total All Funds Changes
University System Office	\$528,576					\$528,576
Bismarck State College		(79,685)				(79,685)
Lake Region State College		(29,593)				(29,593)
Williston State College		(18,696)				(18,696)
University of North Dakota		(1,465,958)				(1,465,958)
UND Medical Center						
North Dakota State University		(5,266,029)		28,000,000		22,733,971
State College of Science		(450,540)				(450,540)
Dickinson State University		(2,448,433)				(2,448,433)
Mayville State University		(205,955)				(205,955)
Minot State University		(201,288)				(201,288)
Valley City State University		(281,181)				(281,181)
Dakota College at Bottineau		(125,075)				(125,075)
Forest Service					(5,599)	(5,599)
Total all funds	\$528,576	(\$10,572,433)	\$0	\$28,000,000	(\$5,599)	\$17,950,544
FTE	2.00	0.00	0.00	0.00	0.00	2.00

¹ This amendment adjusts funding for the University System office. The following schedule details funding adjustments to the system governance line item:

System Governance

	FTE Positions	General Fund	Other Funds	Total
Health insurance adjustment		(\$4,581)	(\$85)	(\$4,666)
Internal audit positions	2.00	391,144		391,144
MHEC dues (one-time funding)		230,000		230,000
Total	2.00	\$616,563	(\$85)	\$616,478

Funding of \$229,500 included in the internal audit pool line item is also transferred to the system governance line item for internal audit purposes.

The following schedule details funding adjustments for Core Technology Services.

Core Technology Services

	FTE Positions	General Fund	Other Funds	Total
Health insurance adjustment		(\$16,469)	(\$8,933)	(\$25,402)
Total	0.00	(\$16,469)	(\$8,933)	(\$25,402)

Funding for open education resources and shared campus services is adjusted as follows:

	Senate Version	House Adjustments	House Version
Open education resources	\$100,000	(\$100,000)	\$0
Shared campus services	\$200,000	\$300,000	\$500,000

Funding for tribal college assistance grants is adjusted as follows:

	Senate Version	House Adjustments	House Version
General fund	\$402,500	(\$302,500)	\$100,000
Student loan trust fund	500,000	0	500,000
Total	\$902,500	(\$302,500)	\$600,000

One-time funding of \$40,000 from the general fund is added for a study of the reorganization of 2-year institutions.

² Funding provided through the higher education funding formula is adjusted to reflect the following:

- Adjustments to employee health insurance premium increase funding to reflect revised premium rates.
- The removal of the minimum amount payable "hold harmless" provision in the formula.
- The offset of general fund appropriations payable through the formula by the amount of increased funding received by institutions from permanent fund distributions and other adjustments.

The following schedule details the changes:

	Health Insurance Adjustment	Hold Harmless Provision	Total Formula Adjustments	Permanent Funds Increase and Other Adjustments	Total General Fund Increase (Decrease)
Bismarck State College	(\$29,126)		(\$29,126)		(\$29,126)
Dakota College at Bottineau	(7,284)		(7,284)	(\$108,286)	(115,570)
Lake Region State College	(12,088)		(12,088)		(12,088)
State College of Science	(33,398)		(33,398)	(380,286)	(413,684)
Williston State College	(7,957)		(7,957)		(7,957)
Dickinson State University	(17,366)	(2,309,626)	(2,326,992)	(108,286)	(2,435,278)
Mayville State University	(13,897)		(13,897)	(160,000)	(173,897)
Minot State University	(38,767)		(38,767)	(108,286)	(147,053)
Valley City State University	(19,924)		(19,924)	(238,000)	(257,924)
North Dakota State University	(94,619)		(94,619)	(4,870,000)	(4,964,619)
University of North Dakota	(139,385)		(139,385)	(920,000)	(1,059,385)
	(\$413,811)	(\$2,309,626)	(\$2,723,437)	(\$6,893,144)	(\$9,616,581)

Special funds authority is adjusted for campuses as follows to reflect the revised health insurance premium rates:

	Health Insurance Adjustment - Special Funds
Bismarck State College	(\$50,559)
Dakota College at Bottineau	(9,505)
Lake Region State College	(17,505)
State College of Science	(36,856)
Williston State College	(10,739)
Dickinson State University	(13,155)
Mayville State University	(32,058)
Minot State University	(54,235)
Valley City State University	(23,257)
North Dakota State University	(301,410)
University of North Dakota	(406,573)
	(\$955,852)

³ Funding for new student residency positions at the UND School of Medicine and Health Sciences is adjusted to provide \$3,393,144 from the general fund and \$11,806,856 from the student loan trust fund. The Senate version provided \$15.2 million from the student loan trust fund for the positions. Section 7 of the bill is updated to reflect the revised amount being provided from the student loan trust fund.

⁴ Special fund authority is added for the North Dakota State University Sudro Hall renovation and addition project.

⁵ Funding is adjusted for the Forest Service to reflect the updated employee health insurance premium amount of \$1,241 per month.

Senate Bill No. 2003 - Other Changes - House Action

This amendment also:

- Adjusts Section 8 of the engrossed bill to remove the authority of the State Board of Higher Education to transfer funds from the capital assets to operations line item of an institution.
- Removes Section 12 of the engrossed bill which provides carryover authority for unexpended appropriations of the Dickinson State University Theodore Roosevelt Center. Removing this section increases the general fund beginning balance for the 2017-19 biennium by \$11.5 million.
- Removes Section 13 of the engrossed bill which provides carryover authority for unexpended appropriations for higher education challenge grants. Removing this section increases the general fund beginning balance for the 2017-19 biennium by \$950,000.
- Adjusts Section 14 of the engrossed bill to allow institutions to increase resident tuition rates by up to 4 percent per year during the 2017-19 biennium and exempts graduate courses from the tuition rate limits. The Senate version authorized institutions to increase resident tuition rates by up to 3 percent per year with an additional 1 percent increase authorized if the funding was used for extraordinary repairs.
- Adjusts Section 16 to require the State Board of Higher Education to report any FTE position adjustments made during the 2017-19 biennium as part of its 2019-21 biennium budget request submitted to the Office of Management and Budget.
- Adjusts Section 26 relating to data and reporting inconsistencies to require the State Board of Higher Education to address inconsistent employee leave policies.
- Adds a section to detail the amount of funding included in the bill for employee health insurance increases.
- Amends North Dakota Century Code Section 15-10-48 and 15-10-49 to remove specific dates included in statutory provisions relating to higher education challenge grants.
- Amends Section 54-10-22.1 relating to disclosure of donor information during audits of higher education institution foundations.
- Adds a section to Chapter 15-10 relating to the approval of building projects.
- Adds a section to detail the amount of funding included in the University System office appropriation for education compact dues.
- Adds a section to limit annual facilities and administrative payments from the University of North Dakota Energy and Environmental Research Center to the University of North Dakota to a maximum of \$500,000 per year.
- Adds a section to cancel \$4 million of general fund appropriation authority included in the student financial assistance grants line item in Chapter 3 of the 2015 Session Laws. This section will increase the general fund beginning balance for the 2017-19 biennium by \$4 million.
- Adds sections to authorize the State Board of Higher Education to convey land in Cass County and Grand Forks County.
- Adds sections to require the State Board of Higher Education study on the reorganization of 2-year institutions and nursing programs.
- Adds a section to provide for the State Board of Higher Education to consider options to enhance research networks. The section also provides for a Legislative Management report regarding the status of enhancements to research networks.
- Adds a section to provide legislative intent that future general fund appropriations for the North Dakota State University College of Nursing in Bismarck be adjusted for savings from facility lease negotiations.
- Repeals Chapter 15-10.2 relating to the Midwestern Regional Higher Education Compact.