

Sixty-sixth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1500

Introduced by

Representatives Roers Jones, Blum, Heinert, D. Johnson, M. Johnson, Pyle, Zubke

Senators Bekkedahl, J. Roers

1 A BILL for an Act to create and enact chapter 15-10.5 of the North Dakota Century Code,
2 relating to a new state higher education governance structure; members, terms, duties, and
3 authority for new entities comprising the new state higher education governance structure; and
4 transferring duties of the state board of higher education, the commissioner of higher education,
5 the North Dakota university system, and the North Dakota university system office to new
6 entities comprising the new state higher education governance structure; to amend and reenact
7 sections 1-01-49 and 11-38-12, subdivisions s and w of subsection 2 of section 12-60-24,
8 sections 15-10.1-01.1, 15-10.1-02, 15-10.1-03, 15-10.1-04, 15-10.1-05, 15-10.3-02, 15-10.3-03,
9 15-10.3-04, 15-11-15, 15-11-22, and 15-11-30, subsection 2 of section 15-11-35, sections
10 15-12-10, 15-12.1-01, 15-12.1-02, and 15-12.1-04, subsection 4 of section 15-12.1-14, sections
11 15-12.1-17, 15-17-03, 15-17-05, 15-18-06, 15-18.1-01, 15-18.1-02, 15-18.1-03, 15-18.1-04,
12 15-18.1-05, 15-18.1-06, 15-18.1-07, 15-18.1-10, and 15-18.1-12, subsection 4 of section
13 15-18.1-13, section 15-18.1-15, subsection 2 of section 15-18.1-16, sections 15-18.2-01,
14 15-18.2-02, and 15-18.2-03, subsection 1 of section 15-18.2-04, sections 15-18.2-05 and
15 15-20.1-02, subdivision d of subsection 12 of section 15-39.1-04, sections 15-39.1-25,
16 15-39.2-01, 15-39.2-01.1, 15-39.2-04.1, 15-39.2-05, and 15-52-02, subdivision b of
17 subsection 2 of section 15-52-03, sections 15-52-05 and 15-52-10, subsection 1 of section
18 15-52-16, sections 15-52-25, 15-52-26, 15-52-28, 15-52-29, 15-52-30, 15-52-31, 15-55-01,
19 15-55-02, 15-55-03, 15-55-04.1, 15-55-05.1, 15-55-06, 15-55-07, 15-55-09, 15-55-10, 15-55-14,
20 15-55-20, 15-62.4-01, 15-62.4-02, 15-62.4-03, 15-62.4-05, 15-62.5-01, 15-62.5-02, 15-62.5-03,
21 15-62.5-04, 15-63-01, 15-69-01, 15-69-03, 15-70-03, 15-70-04, 15-71-01, 15-71-02, 15-71-03,
22 15.1-01-02, and 15.1-07-25.1, subsection 1 of section 15.1-15-12, sections 15.1-21-02.6 and
23 15.1-21-02.8, subdivision f of subsection 1 of section 15.1-37-02, sections 18-12-03, 18-12-04,
24 and 18-12-23, subdivision e of subsection 12 of section 20.1-02-05, subsection 7 of section
25 26.1-05-19, section 26.1-22-09, subdivision j of subsection 2 of section 28-32-01, section

1 29-29.5-03, subsection 5 of section 34-11.1-04, sections 37-07.2-01 and 44-04-18.4,
2 subsection 1 of section 44-04-18.15, sections 44-04-18.16 and 44-04-18.28, subsection 7 of
3 section 44-04-20, subsection 2 of section 44-08-05.1, section 48-01.2-02, subsection 7 of
4 section 51-35-01, subdivision c of subsection 13 of section 52-02.1-01, sections 52-08-08,
5 52-08-09, 52-08-10, 52-08-11, 54-10-22.1, 54-10-30, and 54-12-08, subsections 1 and 5 of
6 section 54-12-35, sections 54-27-10, 54-27-11, 54-27-12, and 54-27-27, subsection 1 of section
7 54-27-27.1, sections 54-27-27.2, 54-35-15.2, and 54-44.1-04, subsection 4 of section
8 54-44.1-06, subsection 8 of section 54-44.3-20, section 54-44.4-11, subsections 1 and 2 of
9 section 54-44.4-13, subsection 1 of section 54-46-02, subsection 3 of section 54-52.6-01,
10 subsection 1 of section 54-57-03, sections 54-59-02.1, 54-59-05, 54-59-07, and 54-59-11.1,
11 section 54-59-12, subdivision c of subsection 2 of section 54-59-17, section 54-59-22,
12 subdivision e of subsection 1 of section 54-59-22.1, subsection 1 of section 54-59-23,
13 subsection 1 of section 54-59-32, subdivision f of subsection 4 of section 54-59-34, section
14 54-60-06, subdivision a of subsection 1 of section 54-60-19, section 54-60-26, subdivision h of
15 subsection 1 of section 54-63-03, subsection 6 of section 54-65-01, subsection 6 of section
16 54-65-02, and section 65-05.1-06.3 of the North Dakota Century Code, relating to a new state
17 higher education governance structure; members, terms, duties, and authority for new entities
18 comprising the new state higher education governance structure; and transferring duties of the
19 state board of higher education, the commissioner of higher education, the North Dakota
20 university system, and the North Dakota university system office to new entities comprising the
21 new state higher education governance structure; to repeal chapter 15-10 of the North Dakota
22 Century Code, relating to the state board of higher education; to provide a penalty; and to
23 provide a contingent effective date.

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

25 **SECTION 1. AMENDMENT.** Section 1-01-49 of the North Dakota Century Code is amended
26 and reenacted as follows:

27 **1-01-49. Other general definitions.**

28 As used in this code, unless the context otherwise requires:

- 29 1. "Depose" includes every mode of written statement under oath or affirmation.
30 2. "Executor" includes administrator and "administrator" includes executor.

- 1 3. "Higher education governing board" means a governing board of a state institution of
2 higher education, as established under chapter 15-10.5.
- 3 4. "Individual" means a human being.
- 4 4.5. "Oath" includes "affirmation".
- 5 5.6. "Organization" includes a foreign or domestic association, business trust, corporation,
6 enterprise, estate, joint venture, limited liability company, limited liability partnership,
7 limited partnership, partnership, trust, or any legal or commercial entity.
- 8 6.7. "Partnership" includes a limited liability partnership registered under chapter 45-22.
- 9 7.8. "Penitentiary" includes any affiliated facilities.
- 10 8.9. "Person" means an individual, organization, government, political subdivision, or
11 government agency or instrumentality.
- 12 9.10. "Personal property" includes money, goods, chattels, things in action, and evidences
13 of debt.
- 14 10.11. "Preceding" and "following" when used by way of reference to a chapter or other part
15 of a statute means the next preceding or next following chapter or other part.
- 16 11.12. "Primary sector business" means an individual, corporation, limited liability company,
17 partnership, or association certified by the department of commerce division of
18 economic development and finance which through the employment of knowledge or
19 labor adds value to a product, process, or service which results in the creation of new
20 wealth.
- 21 For purposes of this subsection, "new wealth" means revenues generated by a
22 business in this state through the sale of products or services to:
- 23 a. Customers outside of this state; or
- 24 b. Customers in this state if the products or services were previously unavailable or
25 difficult to obtain from a business in this state.
- 26 12.13. "Process" means a writ or summons issued in the course of judicial proceedings.
- 27 13.14. "Property" includes property, real and personal.
- 28 14.15. "Real property" shall be coextensive with lands, tenements, and hereditaments.
- 29 15.16. "Rule" includes regulation.

1 ~~16-17.~~ "Signature" or "subscription" includes "mark" when the person cannot write, the
2 person's name being written near it and written by a person who writes that person's
3 own name as a witness.

4 ~~17-18.~~ "State" when applied to the different parts of the United States, includes the District of
5 Columbia and the territories.

6 ~~18-19.~~ "Testify" includes every mode of oral statement under oath or affirmation.

7 ~~19-20.~~ "United States" includes the District of Columbia and the territories.

8 ~~20-21.~~ "Will" includes codicils.

9 ~~21-22.~~ "Writ" means an order or precept in writing, issued in the name of the state or of a
10 court or judicial officer.

11 **SECTION 2. AMENDMENT.** Section 11-38-12 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **11-38-12. Administration - Position adjustments - Budget section report.**

14 The state board of agricultural research and education and the president of North Dakota
15 state university shall control and administer the North Dakota state university extension service
16 subject to the supervision of the ~~state board of higher education~~research university governing
17 board. Funds appropriated to the North Dakota state university extension service may not be
18 commingled with funds appropriated to North Dakota state university. An appropriation request
19 to defray expenses of the North Dakota state university extension service must be separate
20 from an appropriation request to defray expenses of North Dakota state university. Subject to
21 the availability of funds, the director of the North Dakota state university extension service may
22 adjust or increase full-time or part-time equivalent positions to carry out the mission of the
23 extension service. All full-time or part-time positions must be separate from North Dakota state
24 university. Annually, the director of the North Dakota state university extension service shall
25 report to the office of management and budget and to the budget section any adjustments or
26 increases made under this section.

27 **SECTION 3. AMENDMENT.** Subdivision s of subsection 2 of section 12-60-24 of the North
28 Dakota Century Code is amended and reenacted as follows:

29 s. All agencies, departments, bureaus, boards, commissions, or institutions of the
30 state, including the ~~North Dakota university system~~higher education advisory
31 committee, office of higher education, higher education governing boards, and

1 institutions controlled by higher education governing boards, for all employees or
2 final applicants for employment as a security guard or to otherwise provide
3 security.

4 **SECTION 4. AMENDMENT.** Subdivision w of subsection 2 of section 12-60-24 of the North
5 Dakota Century Code is amended and reenacted as follows:

6 w. ~~The North Dakota university system~~higher education advisory committee, office
7 of higher education, higher education governing boards, and institutions
8 controlled by higher education governing boards for a final applicant for or
9 employee in a specified position in ~~the university system or a university system~~
10 ~~institution~~one of the entities or for each student applying for or admitted to a
11 specified program of study, as designated by the ~~chancellor~~higher education
12 administrator.

13 **SECTION 5. AMENDMENT.** Section 15-10.1-01.1 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **~~15-10.1-01.1. Legislative intent on reciprocity~~Reciprocal agreements.**

16 ~~It is the intent of the legislative assembly that the board of~~Each higher education
17 ~~thoroughly~~governing board shall investigate ~~thoroughly~~ the possibility of entering into
18 appropriate reciprocal agreements with the appropriate institutions in the states of South
19 Dakota, Montana, and Minnesota, and ~~that such~~the agreements, if found feasible, must be
20 entered into by the board. ~~It is further declared to be the intent of the legislative assembly that~~
21 ~~before~~Before entering into ~~any such an~~ agreement ~~which~~that necessitates the expenditure of
22 state funds, the ~~state board of~~ higher education governing board shall return to the legislative
23 assembly for approval of ~~such~~the expenditures.

24 **SECTION 6. AMENDMENT.** Section 15-10.1-02 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **15-10.1-02. Agreements - Reciprocal basis.**

27 ~~The state board of higher~~Higher education governing boards may enter into agreements
28 with public or private institutions of higher education, or the governing boards ~~thereof~~of those
29 institutions, in this state and in contiguous states on a reciprocal basis ~~in order~~ to accomplish
30 the following:

- 1 1. To enable a student at any institution party to ~~such an~~the agreement to take a
2 specialized course or courses at a different institution from that in which the student is
3 enrolled, with or without the payment of tuition charges at the other institution.
- 4 2. To enable a student enrolled in any of the institutions party to the agreement to attend
5 another institution party to ~~such~~the agreement without being required to pay
6 nonresident tuition fees and in accordance with the terms of ~~such~~the agreement.

7 **SECTION 7. AMENDMENT.** Section 15-10.1-03 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15-10.1-03. Remission of nonresident tuition - Agreements.**

10 ~~The state board of higher~~Higher education governing boards may enter into agreements for
11 the remission of nonresident tuition for designated categories of students at state institutions of
12 higher education. ~~Such agreements~~Agreements under this section must have as their purpose
13 the mutual improvement of educational advantages for residents of this state and ~~such~~ other
14 states or institutions of other states with ~~whom~~which agreements are made.

15 **SECTION 8. AMENDMENT.** Section 15-10.1-04 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15-10.1-04. Procedures - Limitations.**

18 ~~The state board of higher~~Higher education governing boards may prescribe the procedures
19 for carrying out the authority conferred by sections 15-10.1-02 and 15-10.1-03. An agreement
20 entered into ~~pursuant to~~under this chapter must provide for approximately equal advantages
21 between the contracting institutions or the contracting states.

22 **SECTION 9. AMENDMENT.** Section 15-10.1-05 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15-10.1-05. Supplementary authority.**

25 The authority granted ~~the state board of~~ to higher education governing boards by this
26 chapter is supplemental to the authority granted ~~such~~to each board by ~~section 15-10-28~~chapter
27 15-10.5.

28 **SECTION 10. AMENDMENT.** Section 15-10.3-02 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **15-10.3-02. Mandatory fees - Fees for optional purposes or services - Publication for**
2 **comparison purposes.**

3 ~~The state board of~~ Each higher education governing board shall publish on its website in a
4 clear and comprehensible form that allows for ease of comparison among all state institutions
5 ~~under its control~~ of higher education:

- 6 1. The amount of mandatory fees ~~that each institution~~ governing board has determined
7 ~~at the institutions under its control~~ shall assess each full-time and part-time student
8 during the ensuing academic year, together with a breakdown of the fees by purpose
9 or service;
- 10 2. The amount of any program-specific fees ~~that each institution~~ governing board has
11 determined ~~at the institutions under its control~~ shall assess each student in a particular
12 program during the ensuing academic year; and
- 13 3. The amount of fees for optional purposes or services ~~that each institution~~ governing
14 board has determined ~~at the institutions under its control~~ may assess a full-time or a
15 part-time student during the ensuing academic year, together with a breakdown of the
16 fees by purpose or service.

17 **SECTION 11. AMENDMENT.** Section 15-10.3-03 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **15-10.3-03. Mandatory fees - Limitation on increases - Exemption.**

- 20 1. The total amount of mandatory fees, other than program-specific fees, which ~~are a state~~
21 ~~institution under the control of the state board~~ of higher education assesses each
22 full-time and part-time student, may not increase from one academic year to the
23 ensuing academic year by more than one percent of the latest available average
24 full-time, resident, on-campus, undergraduate tuition rate at that institution, unless the
25 ~~state~~ governing board of the institution determines ~~that~~ an exemption from the
26 requirements of this section is necessitated as a result of student demand, as
27 evidenced by a campuswide student election or formal action by an institution's
28 student governing board or committee.
- 29 2. a. Before mandatory fees on students may be increased to support the construction
30 or renovation of a campus building valued at more than one million dollars, the

1 use must be approved by a majority of the students voting on the question at a
2 campuswide election.

3 b. This subsection does not apply to any construction or renovation for which the
4 use of mandatory fees was authorized before July 1, 2013.

5 **SECTION 12. AMENDMENT.** Section 15-10.3-04 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15-10.3-04. Mandatory fee increases - Criteria - Explanation.**

- 8 1. ~~Before the state board of higher education~~ a higher education governing board may
9 approve an institution's request to increase a mandatory fee, other than a program-
10 specific fee, the institution shall provide to the governing board the following
11 information:
- 12 a. The estimated revenue collection to be generated by the proposed fee increase;
 - 13 b. The specific purpose to which the generated revenue will be allocated;
 - 14 c. Other anticipated tuition and fee increases;
 - 15 d. A delineation of fee increases during the preceding five-year period and the
16 revenues collected as a result of each increase;
 - 17 e. The extent to which students were allowed to participate in the decisionmaking
18 process that preceded and resulted in the request for a fee increase; and
 - 19 f. The approximate number of students that would be assessed the fee each year.
- 20 2. The governing board shall examine the information provided by the requesting
21 institution and shall support its decision to grant or deny a request for a mandatory fee
22 increase with specific reference to each piece of information required by this section.

23 **SECTION 13.** Chapter 15-10.5 of the North Dakota Century Code is created and enacted
24 as follows:

25 **15-10.5-01. Definitions.**

26 For purposes of this chapter, unless the context otherwise requires:

- 27 1. "Higher education governing boards" or "governing boards" means the research
28 university governing board and the community and regional institutions governing
29 board.
- 30 2. "Institution of higher education" means a public institution of higher education under
31 the control of a higher education governing board.

1 3. "Review committee" means the review committee that approves or disapproves
2 nominations of voting members of higher education governing boards under
3 section 15-10.5-04.

4 **15-10.5-02. Higher education governing boards - Quorum.**

5 The institutions of higher education in North Dakota are governed by two boards. The
6 research university governing board shall govern the university of North Dakota and North
7 Dakota state university. The community and regional institutions governing board shall govern
8 the remaining institutions. The president of each institution of higher education shall report and
9 be accountable to the board governing the institution. A majority of the members of a higher
10 education governing board is a quorum of the board.

11 **15-10.5-03. Higher education governing boards - Members.**

12 1. Each governing board consists of fourteen members, including eleven voting members
13 and three nonvoting members.

14 2. On each higher education governing board:

15 a. At least six voting members must be residents of the state.

16 b. One voting member must be a student member.

17 c. One nonvoting member must be a faculty member.

18 d. One nonvoting member must be a staff member.

19 e. The superintendent of public instruction or the superintendent's designee shall
20 serve as a nonvoting member.

21 f. A maximum of two voting members may be nonresidents who do not hold an
22 undergraduate degree from a North Dakota institution of higher education.

23 g. The membership must be maintained in a balanced, equitable, and
24 representative manner.

25 3. A full-time employee of the office of higher education or any institution of higher
26 education, including private and tribal institutions, in North Dakota may not serve on a
27 higher education governing board until at least two years after the end of the
28 employee's period of employment.

29 4. In addition to the requirements in subsection 2, on the community or regional
30 institutions governing board:

- 1 a. No more than two voting members, excluding the student member, may hold a
2 degree from the same institution of higher education governed by the board.
- 3 b. The faculty member and staff member may not represent the same institution
4 during a term.
- 5 c. The faculty member may not represent the same institution for more than two
6 consecutive years.
- 7 d. The staff member may not represent the same institution for more than two
8 consecutive years.
- 9 5. In addition to the requirements of subsection 2, on the research university governing
10 board:
- 11 a. No more than four board members may hold a degree from the university of
12 North Dakota;
- 13 b. No more than four board members may hold a degree from North Dakota state
14 university;
- 15 c. At least two board members must not hold a degree from the university of North
16 Dakota or North Dakota state university;
- 17 d. The student member must alternate each term between a student from the
18 university of North Dakota and a student from North Dakota state university.
- 19 e. The faculty and staff member may not represent the same institution during a
20 term. For a term beginning in an even-numbered year, the faculty member shall
21 represent the university of North Dakota, and the staff member shall represent
22 North Dakota state university. For a term beginning in an odd-numbered year, the
23 faculty member shall represent North Dakota state university, and the staff
24 member shall represent the university of North Dakota.

25 **15-10.5-04. Selection of voting members.**

26 For each open position for a voting member of a higher education governing board other
27 than a student member, the governor shall solicit applications from the public and nominate one
28 applicant to fill the open position. A review committee consisting of the superintendent of public
29 instruction, president pro tempore of the senate, speaker of the house of representatives,
30 secretary of state, and a representative of North Dakota united shall consider the nominated
31 applicant. A member of the review committee may appoint a designee to serve on the

1 committee in place of the member. The superintendent or the designee of the superintendent
2 shall serve as chairman of the review committee. Upon approval by four of the review
3 committee members, the nominated applicant shall fill the open position. If the nominated
4 applicant is not approved, the governor shall nominate another applicant to the review
5 committee.

6 **15-10.5-05. Selection of student members.**

- 7 1. Each year, by a date chosen by the governor, the North Dakota student association
8 shall submit at least two but no more than four nominees for the student member of
9 the community and regional institutions governing board. A student government
10 organization of an institution of higher education governed by the board may submit
11 one nominee for the student member of the board by the date chosen by the governor.
12 Each nominee must be a full-time student attending an institution governed by the
13 board. The governor shall appoint one nominee as the student member of the board.
14 2. Each odd-numbered year, by a date chosen by the governor, the student government
15 organization of the university of North Dakota shall submit to the governor at least two
16 but no more than four nominees for the student member of the research university
17 governing board. The governor shall appoint one nominee as the student member of
18 the governing board.
19 3. Each even-numbered year, by a date chosen by the governor, the student government
20 organization of North Dakota state university shall submit at least two, but no more
21 than four nominees for the student member of the research university governing
22 board. The governor shall appoint one nominee as the student member of the
23 governing board.

24 **15-10.5-06. Selection of faculty and staff members.**

25 Each year, by July first:

- 26 1. The North Dakota council of college faculties shall appoint one faculty member to the
27 community and regional institutions governing board. The faculty member must be in a
28 benefited position at an institution governed by the board.
29 2. The North Dakota staff senate shall appoint one staff member to the community and
30 regional institutions governing board. The staff member must be in a benefited position
31 at an institution governed by the board.

1 3. In accordance with subdivision e of subsection 5 of section 15-10.5-03, the university
2 of North Dakota faculty or staff organization and the North Dakota state university
3 faculty or staff organization shall appoint members to the research university
4 governing board. The members must be in benefited positions at the universities they
5 represent.

6 **15-10.5-07. Terms of higher education governing board members.**

7 1. The term of each member of a higher education governing board other than a student
8 member, faculty member, or staff member is six years. The six-year terms must be
9 staggered so no more than two six-year terms expire in a year. The terms of the initial
10 members of a board may be less than six years to provide for staggered terms.

11 2. The term of each student member, faculty member, and staff member of a board
12 begins on July first and ends on June thirtieth of the following year.

13 3. If a member is unable to fulfill the member's term, a new member must be selected in
14 the same manner as the member unable to fulfill the term. The term of the new
15 member expires on the date the term of the original member would have expired.

16 4. An individual who serves two terms as a member of a higher education governing
17 board may not serve the terms consecutively and may not serve additional terms,
18 regardless whether the individual served the two terms on one board or two different
19 boards. An individual may not serve on two higher education governing boards
20 simultaneously. The following terms are excluded from the number of terms served for
21 purposes of the limitations in this subsection:

22 a. A term as a student member, faculty member, or staff member of a higher
23 education governing board.

24 b. A term of less than three years for a member selected under subsection 3.

25 **15-10.5-08. Removal of higher education governing board members.**

26 1. A member of a higher education governing board may be impeached by the same
27 means and for the same reasons as the governor under chapter 44-09.

28 2. If the governor recommends to the review committee a member be removed from a
29 governing board and provides reasons supporting the recommendation, and the
30 review committee reviews the reasons and approves the recommendation within thirty
31 calendar days, the member is removed from the governing board. Approval by the

1 review committee under this subsection requires a vote of at least four members of the
2 committee.

3 **15-10.5-09. Higher education governing board duties and authority.**

4 1. Each higher education governing board shall:

5 a. Annually select one member of the board to serve as chairman;

6 b. Represent the full educational value and intent of students and the state within
7 the mission of each individual institution;

8 c. Maintain high-quality academic programs;

9 d. Ensure excellence in programs, faculty, staff, and students;

10 e. Provide responsible policies and procedures for proper governance and holding
11 each institution's leadership accountable;

12 f. Undertake periodic strategic planning to guide institutions governed by the board,
13 advance the needs of the state, and compete within the global higher education
14 market;

15 g. Appoint, monitor, advise, motivate, support, evaluate and, if necessary or
16 advisable, replace an institution president;

17 h. Ensure collaboration and partnership with other public institutions in the state and
18 the private sector;

19 i. Hear appeals when appropriate and provided by law;

20 j. Regularly evaluate the board members' performance;

21 k. Ensure regular and proper training of board members;

22 l. Receive proposals for budgets, tuition and fee modifications, and ranked capital
23 construction projects from presidents of institutions governed by the board to
24 promote equity and appropriate investment of state resources through each
25 institution;

26 m. Approve tuition and fee levels for institutions governed by the board;

27 n. Biennially, provide a budget recommendation to the governor and legislative
28 assembly for consideration;

29 o. Approve new and discontinuance of academic programs;

30 p. Engage with, listen to, and deliver value to stakeholders, including students, state
31 government entities, and alumni who provide direct financial support;

- 1 q. Shield institutions from direct political and other outside interference;
- 2 r. Ensure an ongoing reporting mechanism for accountability in research enterprise,
3 collaboration, and student learning;
- 4 s. Ensure academic freedom at institutions governed by the board;
- 5 t. Maintain a system of common course numbering and transferability agreements
6 among institutions of higher education;
- 7 u. Fix the salaries of the presidents, professors, instructors, teachers, officers, and
8 other employees of the institutions under its control;
- 9 v. Determine policy for purchasing by the institutions under its control in
10 coordination with the office of management and budget as provided by law;
- 11 w. Establish by rule an early retirement program for faculty and officers of the
12 governing board. The limitations on severance pay pursuant to section
13 54-14-04.3 and on requiring an employee to pay contributions to continue on the
14 state uniform group insurance program upon retirement or upon termination of
15 employment pursuant to section 54-52.1-03 do not apply to the early retirement
16 program;
- 17 x. Adopt rules to protect the confidentiality of student records, medical records, and
18 consistent with section 44-04-18.4, trade secret, proprietary, commercial, and
19 financial information;
- 20 y. Authorize and encourage institutions and entities under its control to enter
21 partnerships, limited liability companies, joint ventures, or other contractual
22 arrangements with private business and industry for the purpose of business or
23 industrial development or fostering basic and applied research or technology
24 transfer;
- 25 z. Adopt rules promoting research, encouraging development of intellectual
26 property and other inventions and discoveries by employees, and protecting and
27 marketing the inventions and discoveries. The rules must govern ownership or
28 transfer of ownership rights and distribution of income that may be derived from
29 an invention or discovery resulting from research or employment in the university
30 system. The rules may provide for transfer of ownership rights or distribution of

1 income to a private, nonprofit entity created for the support of a public institution
2 of higher education; and

3 aa. Utilize the core technology services provided under section 15-10.5-47 and
4 ensure the institutions governed by the board utilize the core technology
5 services.

6 2. Each higher education governing board may organize or reorganize, within
7 constitutional and statutory limitations, the work of each institution under its control
8 and do everything necessary and proper for the efficient and economical
9 administration of the institution.

10 3. Each higher education governing board may delegate to its executive director and
11 staff and the staff of the office of higher education, the details of administration of each
12 institution under the governing board's control.

13 **15-10.5-10. Support staff for higher education governing boards.**

14 The staff of the office of higher education shall provide support services for the community
15 and regional institutions governing board. The university of North Dakota and North Dakota
16 state university shall provide staff support to the research university governing board. The
17 university of North Dakota and North Dakota state university may not hire or contract with
18 additional staff to provide support services to their governing board.

19 **15-10.5-11. Support staff duties.**

20 The support staff for higher education governing boards shall:

21 1. Provide administrative support to their respective boards;

22 2. Coordinate with their board chairmen to develop agendas and supporting materials for
23 board meetings;

24 3. Support the presidents of institutions governed by their respective boards in advancing
25 educational opportunities within the state;

26 4. Administer presidential searches for the institutions governed by their boards;

27 5. Serve as liaisons to the higher education administrator, the legislative assembly, and
28 the executive branch; and

29 6. Draft, maintain, and coordinate procedures and policies for their respective boards.

1 **15-10.5-12. Higher education administrator and office of higher education - Duties.**

2 A higher education administrator must be appointed in the same manner as voting
3 members of higher education governing boards. The administrator shall report to the governor,
4 serve as a member of the governor's cabinet, and lead the office of higher education. The
5 administrator may hire staff to help carry out the administrator's duties. The administrator also
6 shall:

7 1. Represent, articulate, and advocate the needs of the state, as set forth by the
8 legislative and executive branches, to the higher education governing boards;

9 2. Support the executive director and staff of the respective boards;

10 3. Maintain common course numbering across boards and institutions;

11 4. Maintain student transferability agreements across boards and institutions;

12 5. Administer state scholarship programs including scholarships for members of Indian
13 tribes;

14 6. Serve as the administrator of federal grant moneys to public institutions of higher
15 education when required by federal law;

16 7. Manage state authorization reciprocity agreements;

17 8. Manage loan forgiveness programs for teachers and North Dakota residents in
18 science, technology, engineering, and mathematics fields;

19 9. Administer student exchange and reciprocity programs with states that are members
20 of the western interstate commission for higher education, and the Minnesota and
21 midwest student exchanges for veterinary medicine, dentistry, and optometry;

22 10. Administer a student health insurance program;

23 11. Manage participation in the midwestern higher education compact;

24 12. Manage the higher education challenge grant program;

25 13. Administer data support and research support for the department of public instruction;

26 14. Provide institutional data to the higher education governing boards, and state and
27 federal entities, and for longitudinal studies;

28 15. Implement statewide higher education studies;

29 16. Establish a retirement program as an alternative to chapter 15-39.1 for employees of
30 higher education governing boards and institutions of higher education, provide for the

1 administration of the program, and establish rules for the program consistent with
2 section 15-10.5-30;

3 17. Administer the telemental health services for institution personnel and students;

4 18. Administer a hotline for, and conduct investigations of, allegations regarding fraud or
5 abuse by members of higher education governing boards, the higher education
6 administrator or office of higher education staff, institution presidents, or other persons
7 at institutions governed by the higher education governing boards;

8 19. Administer the interactive video network;

9 20. Maintain a data warehouse for public institutions of higher education, the governing
10 board of each institution, and the office of higher education;

11 21. License private, in-state institutions of higher education and assure out-of-state
12 institutions of higher education that have entered reciprocity agreements with North
13 Dakota comply with the agreements;

14 22. Prepare consolidated financial reports for state institutions of higher education;

15 23. Maintain a core technology services department to provide information technology to
16 state institutions of higher education; and

17 24. Other tasks deemed necessary by higher education governing boards, leaders of state
18 executive branch agencies, and the higher education office.

19 **15-10.5-13. Higher education advisory committee - Members.**

20 The higher education advisory committee consists of the chairman of each higher education
21 governing board and the higher education administrator, who serves as the chairman of the
22 committee.

23 **15-10.5-14. Higher education advisory committee - Duties.**

24 The higher education advisory committee facilitates collaboration and communication
25 between the higher education governing boards and shall:

26 1. Seek and advance efficiencies and opportunities for shared services among the higher
27 education governing boards;

28 2. Assist the higher education administrator in activities involving collaboration and
29 coordination between higher education governing boards;

30 3. Review petitions for new programs, program changes, and program cancellations
31 under section 15-10.5-15; and

1 4. Undertake other duties assigned by the legislative and executive branches of state
2 government or agreed upon by members of the committee.

3 **15-10.5-15. Program petitions.**

4 1. A state institution of higher education may not implement a program change that would
5 result in a new major, or a new program or program cancellation unless the institution
6 submits a petition for the program change, new program, or program cancellation to its
7 governing board and receives approval from the board. A majority vote by the
8 governing board is required to approve a petition under this section.

9 2. An institution of higher education may submit a protest petition to the governing board
10 that approved a program change, new program, or program cancellation. The protest
11 petition must be submitted within thirty calendar days after the governing board first
12 provides notice of the petition under subsection 1 at a board meeting. After a protest
13 petition is submitted timely, the two institutions of higher education involved shall make
14 reasonable efforts to design a plan for program collaboration. If the institutions are
15 satisfied with the plan, the protest petition is deemed satisfied.

16 3. If the protest petition is not deemed satisfied and the original petition is approved, the
17 approval is subject to review by the higher education advisory committee, which shall
18 consider the original petition and the protest petition. If at least three of the members
19 of the higher education advisory committee vote against the program change, new
20 program, or program cancellation, the original petition is deemed denied, and the
21 program change, new program, or program cancellation may not be implemented.

22 **15-10.5-16. Compensation - Expenses - Legislative appropriations.**

23 Each member of a higher education governing board, except student members, and each
24 member of the higher education advisory committee is entitled to receive as compensation one
25 hundred forty-eight dollars per day for each calendar day actually spent devoted to the duties of
26 office, and necessary expenses in the same manner and amounts as other state officials for
27 attending meetings and performing other functions of office. The legislative assembly shall
28 provide adequate funds to carry out the duties and functions of the advisory committee and
29 governing boards.

1 **15-10.5-17. Gifts and bequests - Deposit of funds.**

2 Each higher education governing board may receive, subject to the limitations of section
3 15-10.5-18, donations, gifts, grants, and bequests offered or tendered to or for the benefit of
4 any institution of higher education under its control, and all moneys coming into the hands of the
5 governing board as donations, gifts, grants, and bequests must be used for the specific purpose
6 for which the moneys are donated or given. A special revenue fund for each institution of higher
7 education under the control of a higher education governing board must be maintained within
8 the state treasury, and all institutional income from tuition collections must be placed in the
9 special fund for the use of the institution for which the money was raised. All rent, interest, or
10 income from land, money, or property, donated or granted by the United States and allocated to
11 specific institutions of higher education under the terms of the Enabling Act and the Constitution
12 of North Dakota must be deposited in the special revenue fund of each institution and expended
13 in accordance with section 1 of article IX of the Constitution of North Dakota. Moneys in the
14 special revenue fund are subject to legislative appropriations. All other funds, unless restricted
15 by the terms of a grant, donation, or bequest, received by the institutions from federal, state,
16 and local grants and contracts, indirect cost recoveries, special student fees, room and board
17 fees and other auxiliary enterprise fees, student activity fees, continuing education program
18 fees, internal service fund revenues, and all other revenues must be deposited in the institution
19 special revenue funds. The state treasurer immediately shall transfer the funds deposited in the
20 special revenue funds to institution accounts in the Bank of North Dakota. Biennial estimates of
21 revenue and expenditures of the other funds by source of funds must be presented at the same
22 time biennial budget requests for appropriations from the special revenue fund and state
23 general fund are prepared and submitted to the office of the budget. Payments from each
24 institution's general fund appropriation must be made in amounts as may be necessary for the
25 operation and maintenance of each institution, except that at the close of the biennium the
26 balance of funds not paid from the general fund appropriation must be deposited in the special
27 revenue funds of the institutions. All the appropriations are subject to proration in the same
28 manner as other appropriations are prorated if insufficient funds are available to meet
29 expenditures from the general fund. Sinking funds for the payment of interest and principal of
30 institutional revenue bonds must be deposited pursuant to section 15-55-06.

1 **15-10.5-18. Acceptance of buildings and campus improvements - Legislative**
2 **approval.**

3 Each higher education governing board may authorize campus improvements and building
4 maintenance on land under the control of the governing board which are financed by donations,
5 gifts, grants, and bequests, if the cost of the improvement or building maintenance is not more
6 than seven hundred thousand dollars. The consent of the legislative assembly is required for
7 construction of any building or any addition to a building on land under the control of the
8 governing board which is financed by donations, gifts, grants, and bequests. The consent of the
9 legislative assembly is required for campus improvements or building maintenance financed by
10 donations, gifts, grants, and bequests if the cost of the improvements or maintenance is more
11 than seven hundred thousand dollars. During the time the legislative assembly is not in session,
12 except for the six months preceding the convening of a regular session and the three months
13 following the close of a regular session, and unless otherwise restricted by previous legislative
14 action or other law, a higher education governing board, with the approval of the budget section
15 of the legislative management, may authorize campus improvements and building maintenance
16 financed by donations, gifts, grants, and bequests if the cost of the improvement or
17 maintenance is more than seven hundred thousand dollars. The budget section approval must
18 include a specific dollar limit for each campus improvement project or maintenance project. A
19 higher education governing board may authorize the sale of any real property or buildings that
20 an institution of higher learning under its control has received by gift or bequest. The governing
21 board shall prescribe the conditions for the sale of the property it determines necessary. The
22 conditions must include requiring an appraisal and public auction or advertisement for bids,
23 unless the gift instrument requires a different process. If the higher education governing board
24 submits a request for campus improvements or building maintenance under this section to the
25 budget section for approval, the legislative council shall notify each member of the legislative
26 assembly of the date of the budget section meeting at which the request will be considered and
27 provide a copy of the meeting agenda to each member of the legislative assembly. The
28 chairman of the budget section shall allow any member of the legislative assembly an
29 opportunity to present testimony to the budget section regarding any such request.

1 **15-10.5-19. College and university investment income.**

2 All income earned on college and university funds not deposited in the state treasury must
3 be retained by those funds.

4 **15-10.5-20. Capital construction projects - Local fund sources - Local matching funds**
5 **- Report to budget section.**

6 If any institution under the control of a higher education governing board undertakes a
7 capital construction project, including any renovation or expansion, with the approval of the
8 legislative assembly, all local funds to be used for the project must be derived from sources that
9 have been presented to and approved by the legislative assembly or the budget section
10 pursuant to section 15-10.5-18. The source of any local matching funds required for state-
11 funded or bonded projects must be funds raised and designated for the project and may not
12 include funding from the state general fund, state and federal grant and contract funds, tuition or
13 fees, endowment or investment income, institutional sales and services income including
14 indirect and administrative costs, or transfers or loans from other institutions' funds or agency
15 funds unless the institution has received prior approval from the legislative assembly or from the
16 budget section pursuant to section 15-10.5-18. Each institution undertaking a capital
17 construction project approved by the legislative assembly and for which local funds are to be
18 used shall present a biennial report to the budget section of the legislative management
19 detailing the source of all funds used in the capital construction project, including local funds.

20 **15-10.5-21. Faculties of institutions of higher education.**

21 In each institution of higher education under the control of a higher education governing
22 board, the faculty consists of the president, instructors, teachers, and assistants. The faculty
23 shall adopt, subject to policies the higher education governing board for the institution may
24 adopt, all necessary rules and regulations for the government of the school.

25 **15-10.5-22. Faculty - English language proficiency.**

26 A professor, instructor, teacher, assistant, or graduate assistant at a state institution of
27 higher education must exhibit written and verbal proficiency in the English language. Any
28 deficiency must be remedied by special training or coursework provided by the institution.

29 **15-10.5-23. Institutions of higher education - Faculty members - Oath or affirmation.**

30 1. Before entering upon the discharge of duties, each faculty member employed by an
31 institution under the control of a higher education governing board shall take the

1 following oath or affirmation: I do solemnly swear (or affirm) that I will support the
2 Constitution of the United States and the Constitution of the state of North Dakota, and
3 that I will faithfully discharge the duties of my position, according to the best of my
4 ability.

5 2. The faculty member shall execute the oath or affirmation in duplicate. One copy of the
6 oath or affirmation must be filed with the higher education governing board of the
7 institution where the faculty member is employed. The faculty member shall retain the
8 other copy.

9 **15-10.5-24. Institutions of higher education - Alien faculty members - Oath or**
10 **affirmation.**

11 Before entering upon the discharge of duties, a faculty member employed by an institution
12 under the control of a higher education governing board who is not a citizen of the United States
13 shall take an oath or affirmation to support the institutions and policies of the United States
14 during the period of the individual's employment within the state.

15 **15-10.5-25. Higher education reports.**

16 Each higher education governing board shall submit the reports required under section
17 15-10.5-26 and other reports requested by the legislative assembly or governor.

18 **15-10.5-26. Higher education strategic plan - Reports.**

19 1. Each higher education governing board shall adopt a strategic planning process and
20 develop a strategic plan to define and prioritize its goals and objectives. The governing
21 board shall provide an annual performance and accountability report regarding
22 performance and progress toward the goals outlined in the strategic plan and
23 accountability measures.

24 2. The higher education administrator shall report to the legislative assembly during each
25 regular legislative session regarding the status of higher education in this state.

26 **15-10.5-27. Control of funds and appropriations.**

27 Each higher education governing board controls the expenditure of the funds belonging and
28 allocated to the institutions under its control and also of those appropriated by the legislative
29 assembly for the institutions, but funds appropriated by the legislative assembly and specifically
30 designated for any one or more institutions may not be used for any other institution.

1 **15-10.5-28. Loans from Bank of North Dakota.**

2 Institutions under the control of a higher education governing board are authorized to
3 borrow, and the Bank of North Dakota is authorized to loan to those institutions, amounts not to
4 exceed ninety percent of the value of an institution's certificate of deposit held by the Bank. The
5 term of the loan may not exceed the term of the certificate of deposit offered as security for the
6 loan. The loans are subject to such additional terms and conditions as may be established by
7 the Bank.

8 **15-10.5-29. Law enforcement officers.**

- 9 1. Each higher education governing board may authorize the employment of law
10 enforcement officers having jurisdiction on property owned or leased by the respective
11 governing board to enforce laws and regulations at the respective institution under the
12 control of the governing board, or as otherwise provided in this section.
- 13 2. A law enforcement officer employed by the university of North Dakota has jurisdiction
14 on all property owned or leased by the research university governing board and
15 property on and within the boundaries of the intersection of demers avenue and north
16 fifty-fifth street; north fifty-fifth street, north to university avenue; university avenue east
17 to north forty-second street; north forty-second street, north to gateway drive; gateway
18 drive east to north columbia road; north columbia road south to tenth avenue north;
19 tenth avenue north, east to north twenty-fifth street; north twenty-fifth street south to
20 sixth avenue north; sixth avenue north, east to north twentieth street; north twentieth
21 street south to fifth avenue north; fifth avenue north, west to north twenty-third street;
22 north twenty-third street, south to university avenue; university avenue east to north
23 twenty-first street; north twenty-first street, south to dyke avenue; dyke avenue east to
24 north washington street; north washington street, south to demers avenue; and
25 demers avenue west to north fifty-fifth street. Jurisdiction under this subsection
26 includes Grand Forks international airport.
- 27 3. A law enforcement officer employed by North Dakota state university has jurisdiction
28 on all property owned or leased by the research university governing board and
29 property on and within the boundaries of the intersection of nineteenth avenue north
30 and Dakota drive, south to eighth avenue north; eighth avenue north, east to tenth

1 street north; tenth street north, north to nineteenth avenue north; nineteenth avenue
2 north west to Dakota drive.

3 4. A law enforcement officer employed by the North Dakota state college of science has
4 jurisdiction on all property owned or leased by the community and regional institutions
5 governing board and property on and within the boundaries of the intersection of
6 seventh avenue north and eleventh street north; eleventh street north to sixteenth
7 avenue north; sixteenth avenue north, east to fourth street north; and fourth street
8 north south, to seventh avenue north.

9 5. A law enforcement officer employed by an institution under the control of a higher
10 education governing board who is in "hot pursuit" may continue beyond the
11 jurisdictional boundaries of an institution to make an arrest, in compliance with a
12 warrant or without a warrant under the conditions of section 29-06-15, if obtaining the
13 aid of peace officers having jurisdiction beyond that limit would cause a delay
14 permitting escape. As used in this subdivision, "hot pursuit" means the immediate
15 pursuit of a person who is endeavoring to avoid arrest.

16 6. A higher education governing board may enter a joint powers agreement with a
17 political subdivision to enable law enforcement from the political subdivision and law
18 enforcement from an institution under the control of the governing board to provide
19 secondary response to each other outside the jurisdictional boundaries provided in this
20 section.

21 7. Notwithstanding any other provision of law or joint powers agreement, any
22 misdemeanor or felony violation of law occurring in or on property owned or leased by
23 a higher education governing board or within the extraterritorial jurisdiction must be
24 filed in district court unless the primary law enforcement officer involved is not
25 employed by the governing board. An infraction or noncriminal offense occurring in or
26 on property owned or leased by the governing board or within the extraterritorial
27 jurisdiction may be filed in municipal court.

28 **15-10.5-30. Retirement program.**

29 The retirement program established by the office of higher education under section
30 15-10.5-12 does not derogate any existing retirement program for employees of higher

1 education governing boards or institutions of higher education, and is subject to the following
2 guidelines.

- 3 1. Benefits under the program must be provided through annuity contracts purchased by
4 the office of higher education, but which become the property of the participants;
- 5 2. The cost of the annuity contracts must be defrayed by contributions made pursuant to
6 rules of the office of higher education;
- 7 3. Eligible employees appointed before July 1, 1973, shall participate in the alternate
8 retirement program only by the employee's individual election. When the electing
9 eligible employee is a member of the teachers' fund for retirement, the employee's
10 assessments and employer's contributions, together with interest credited at the
11 current rate for one-year certificates then being paid by the Bank of North Dakota must
12 be transferred to the employee's account in the alternate program. The election
13 relinquishes all rights the eligible employee or the employee's beneficiary may have to
14 benefits provided in chapters 15-39 and 15-39.2; and
- 15 4. Employees of higher education governing boards and institutions of higher education
16 who are members of the public employees retirement system under chapter 54-52 or
17 54-52.6 and who become entitled to participate in the alternate retirement program are
18 entitled to a special annuity purchase in the alternate retirement program in
19 accordance with this subdivision. An eligible employee who consents to have that
20 employee's contribution included is entitled to have that employee's contribution and
21 employer's contribution, with interest, in the public employees retirement system fund,
22 used by the retirement board of the public employees retirement system to purchase
23 for that employee an annuity in the alternate retirement program in lieu of any other
24 rights under the public employees retirement fund. However, before the employer's
25 contribution may be used for an annuity purchase, the employee's combined years of
26 service with the public employees retirement system and the alternate retirement
27 program must equal or exceed the years of service necessary to be eligible for
28 retirement benefits under the public employees retirement system. An employee who
29 transferred from the public employees retirement system before March 30, 1987, and
30 who received a refund of that employee's contribution is entitled to have the
31 employer's contribution, with interest, used to purchase an annuity even if that

1 employee did not purchase an annuity in the alternate employee program with the
2 employee's contribution. If an employee makes the election allowed under this
3 subdivision, that employee relinquishes all rights the employee or any of the
4 employee's beneficiaries may have had to benefits provided under chapters 54-52 and
5 54-52.6.

6 **15-10.5-31. Political advertising - Student housing.**

7 A state institution of higher education may not include in student housing leases provisions
8 that prohibit lessees from placing political advertisements on the leased property. A political
9 advertising sign placed on student housing property must be placed in compliance with any
10 applicable city ordinance relating to signs.

11 **15-10.5-32. Contract - Preparation and provision of meals - Policy.**

- 12 1. An institution under the control of a higher education governing board may enter a
13 contract to prepare and provide meals, snacks, or other food services for persons or
14 programs not affiliated with the institution, and may provide catering services for an
15 event if the event is organized predominantly for persons affiliated with the institution,
16 the event is held predominantly for persons enrolled in the institution, or the event is
17 held under the auspices of the institution, provided the institution first establishes a
18 policy regarding such services and specifically addresses issues related to competition
19 with private sector entities.
- 20 2. The limitations provided under subsection 1 do not apply to an institution if no private
21 sector entity located in the same city as the institution is capable and willing to meet
22 the facility or personnel requirements necessary to:
- 23 a. Prepare and provide the meals, snacks, or other food services for a specific
24 event; or
- 25 b. Provide the catering services for a specific event.
- 26 3. An institution under the control of a higher education governing board may not
27 advertise to the general public its willingness to provide the services permitted under
28 this section.
- 29 4. This section may not be construed to limit the activities of a private sector entity that
30 provides meals, snacks, or other food services to an institution of higher education
31 under the provisions of a contract.

1 **15-10.5-33. Definitions.**

2 1. "Dependent" for purposes of section 15-10.5-34 means:

3 a. A child, stepchild, spouse, widow, or widower of a resident veteran, as "veteran"
4 is defined in section 37-01-40, who was killed in action or died from wounds or
5 other service-connected causes, has a one hundred percent service-connected
6 disability as determined by the department of veterans' affairs, has an extra-
7 schedular rating to include individual unemployability that brings the veteran's
8 total disability rating to one hundred percent as determined by the department of
9 veterans' affairs, died from service-connected disabilities, was a prisoner of war,
10 or was declared missing in action;

11 b. A child or a stepchild of a veteran, as defined in section 37-01-40, who was killed
12 in action or died from wounds or other service-connected causes, has a one
13 hundred percent service-connected disability as determined by the department of
14 veterans' affairs, has an extra-schedular rating to include individual
15 unemployability that brings the veteran's total disability rating to one hundred
16 percent as determined by the department of veterans' affairs, died from service-
17 connected disabilities, was a prisoner of war, or was declared missing in action,
18 provided the child's other parent has been a resident of this state and was a
19 resident of this state at the time of death or determination of total disability of the
20 veteran; or

21 c. A child or a stepchild of a veteran, as defined in section 37-01-40, who was killed
22 in action or died from wounds or other service-connected causes, has a one
23 hundred percent service-connected disability as determined by the department of
24 veterans' affairs, has an extra-schedular rating to include individual
25 unemployability that brings the veteran's total disability rating to one hundred
26 percent as determined by the department of veterans' affairs, died from service-
27 connected disabilities, was a prisoner of war, or was declared missing in action,
28 provided the child's other parent establishes residency in this state and maintains
29 that residency for a period of five years immediately preceding the child's or
30 stepchild's enrollment at an institution under the control of the state board of
31 higher education.

- 1 2. "Resident veteran" means a veteran who:
- 2 a. Was born in and lived in this state until entrance into the armed forces of the
- 3 United States;
- 4 b. Was born in, but was temporarily living outside this state not having abandoned
- 5 residence therein prior to entrance into the armed forces of the United States;
- 6 c. Was born elsewhere but had resided within this state for at least six months prior
- 7 to entrance into military service and had, prior to or during such six-month period:
- 8 (1) Registered for voting, or voted in this state;
- 9 (2) Being an unemancipated minor during such period of residence, lived with a
- 10 parent or person standing in loco parentis who had acquired a residence as
- 11 set forth in this section; or
- 12 (3) If not registered for voting in this state, not registered for voting in another
- 13 state; or
- 14 d. Has been a resident of this state for the ten years prior to the request for tuition
- 15 waiver.

16 **15-10.5-34. Free tuition in state institutions of higher education.**

17 Any dependent, as defined in section 15-10.5-33, upon being duly accepted for enrollment

18 into any undergraduate degree or certificate program of a North Dakota state institution of

19 higher education, must be allowed to obtain a bachelor's degree or certificate of completion, for

20 so long as the dependent is eligible, free of any tuition and fee charges if the bachelor's degree

21 or certificate of completion is earned within a forty-five-month or ten-semester period or its

22 equivalent and if tuition and fee charges do not include costs for aviation flight charges or

23 expenses. Once an individual qualifies as a dependent under section 15-10.5-33 and this

24 section, the dependent may not be disqualified from the benefits of this section:

- 25 1. Due to the return of the prisoner of war;
- 26 2. Due to the return of the individual missing in action; or
- 27 3. Because the veteran through whom the benefit was obtained had a one hundred
- 28 percent service-connected disability at the time of death.

29 **15-10.5-35. Definitions.**

30 For purposes of section 15-10.5-36:

- 1 1. "Firefighter" means a person who is a member of a paid or volunteer fire department
2 that is a part of, or administered by this state, any political subdivision of this state, or
3 a rural fire protection district.
- 4 2. "Peace officer" means any person who is employed by a state law enforcement
5 agency or a political subdivision of the state who is charged with the prevention and
6 detection of crime and the enforcement of the criminal laws of the state, and who has
7 full power of arrest.
- 8 3. "Stepchild" means a child of the decedent's spouse or predeceased spouse, and not
9 of the decedent.
- 10 4. "Survivor" means, at the time of the firefighter's or peace officer's death, the
11 firefighter's or peace officer's biological or adopted child under the age of twenty-one,
12 stepchild under the age of twenty-one, and spouse.

13 **15-10.5-36. Free tuition in state institutions of higher education for survivor of**
14 **firefighter, emergency medical services personnel, or peace officer.**

15 If a firefighter, an emergency medical services personnel, as defined under section
16 23-27-04.3, or a peace officer dies as a direct result of injuries received while engaged in the
17 performance of official duties under circumstances dangerous to human life, the survivor, upon
18 being duly accepted for enrollment into any undergraduate degree or certificate program of a
19 state institution of higher education, must be allowed to obtain a bachelor's degree or certificate
20 of completion, for so long as the dependent is eligible, free of any tuition and fee charges;
21 provided the bachelor's degree or certificate of completion is earned within a forty-five-month or
22 ten-semester period or its equivalent; and further provided tuition and fee charges may not
23 include costs for aviation flight charges or expenses.

24 **15-10.5-37. Nonresident and resident student definitions for tuition purposes.**

- 25 1. "Nonresident student" for tuition purposes means any student other than a resident
26 student.
- 27 2. "Resident student" for tuition purposes means:
 - 28 a. An individual whose guardian, custodial parent, or parents are legal residents of
29 this state and have resided in this state for twelve months, or a dependent child
30 whose custodial parent moved into the state with the intent to establish legal

- 1 residency for a period of years within the last twelve months immediately prior to
2 the beginning of the academic term;
- 3 b. An individual eighteen years of age or over who is a legal resident of this state
4 and has resided in this state after reaching eighteen years of age for twelve
5 months immediately prior to the beginning of the academic term;
- 6 c. An individual who graduated from a North Dakota high school;
- 7 d. (1) A full-time active duty member of the armed forces;
8 (2) A member of the North Dakota national guard;
9 (3) A member of the armed forces reserve component stationed in this state; or
10 (4) A veteran, as defined in section 37-01-40;
- 11 e. A benefited employee of a higher education governing board, office of higher
12 education, or an institution under the control of a higher education governing
13 board;
- 14 f. The spouse of:
- 15 (1) A full-time active duty member of the armed forces;
16 (2) A member of the North Dakota national guard;
17 (3) A member of the armed forces reserve component stationed in this state;
18 (4) A veteran, as defined in section 37-01-40, provided the veteran is eligible to
19 transfer entitlement under the Post 9-11 Veterans Educational Assistance
20 Act of 2008 [38 U.S.C. 3301];
21 (5) A benefited employee of a higher education governing board, office of
22 higher education, or an institution under the control of a higher education
23 governing board; or
- 24 (6) Any other individual who is a resident for tuition purposes;
- 25 g. A dependent of:
- 26 (1) A full-time active duty member of the armed forces;
27 (2) A member of the North Dakota national guard;
28 (3) A member of the armed forces reserve component stationed in this state;
29 (4) A veteran, as defined in section 37-01-40, provided the veteran is eligible to
30 transfer entitlement under the Post 9-11 Veterans Educational Assistance
31 Act of 2008 [38 U.S.C. 3301]; or

1 (5) A benefited employee of a higher education governing board, office of
2 higher education, or an institution under the control of a higher education
3 governing board:

4 h. An individual who was a legal resident of this state for at least three consecutive
5 years within six years of the beginning of the academic term:

6 i. A child, widow, or widower of a veteran as defined in section 37-01-40 who was
7 killed in action or died from wounds or other service-connected causes, was
8 totally disabled as a result of service-connected causes, died from service-
9 connected disabilities, was a prisoner of war, or was declared missing in action:

10 or

11 j. A covered individual as defined by section 702 of Pub. L. 113-146 [128 Stat.
12 1797; 38 U.S.C. 3679].

13 3. A temporary absence from the state for vacation or other special or temporary
14 purposes may not be considered an abandonment of residency in this state, provided
15 a residence is maintained in this state during the temporary absence. However, a
16 student who leaves the state and resides in another state for a period of months is not
17 considered a resident of this state during those months if the student does not
18 maintain a place of residence in this state during the student's absence.

19 **15-10.5-38. Agreements with other states' institutions of higher learning and regional**
20 **education compacts.**

21 The office of higher education or a higher education governing board may enter agreements
22 with institutions of higher education in other states and regional education compacts. The office
23 or governing board, subject to the limits of legislative appropriations, may make expenditures as
24 necessary to utilize the educational facilities of the institutions for teaching North Dakota
25 students. In addition, the office or governing board may enter agreements with institutions of
26 higher education in other states and regional education compacts for the acceptance of
27 students from other states in North Dakota institutions of higher education.

28 **15-10.5-39. Regional veterinary medical education program - Authority to enter**
29 **agreements - Limitations.**

30 1. A higher education governing board may enter agreements with the university of
31 Nebraska board of regents and with the appropriate governing entities or institutions of

1 higher education in other states to provide a program of regional veterinary medical
2 education and services.

3 2. Any agreements entered pursuant to subsection 1 may provide for the following:

4 a. Service by the university of Nebraska as the degree-granting institution.

5 b. Assumption by the university of Nebraska of final responsibility for the overall
6 governance and administration of the educational aspects of the program.

7 c. Cooperation by North Dakota state university in providing input in the
8 establishment of policies relating to curriculum, academic standards, student
9 admissions, and other matters.

10 3. Within the limits of legislative appropriations, any agreements entered pursuant to
11 subsection 1 may provide for the payment by the higher education governing board of
12 North Dakota's share of the cost of facility construction in Nebraska based upon the
13 proportion of North Dakota students in the program, provided the payment is based
14 upon a per student annual facilities use charge.

15 4. Within the limits of legislative appropriations, any agreements entered pursuant to
16 subsection 1 may provide for the payment by the higher education governing board of
17 North Dakota's share of the operating costs during the planning, startup, and full
18 operational phases, based upon the proportion of North Dakota students in the
19 program.

20 **15-10.5-40. Student registration with selective service system.**

21 An individual who is required by the Military Selective Service Act [Pub. L. 759; 62 Stat.
22 604; 50 U.S.C. App. 451 et seq.] to register with the selective service system may not receive
23 student financial aid funds from the state until that individual has registered. Each higher
24 education governing board may adopt rules to achieve the purpose of this section.

25 **15-10.5-41. Technology occupations student loan program.**

26 1. The office of higher education shall administer a science, technology, engineering, and
27 mathematics occupations student loan program that encourages college students to
28 pursue studies in these fields, to participate in internship programs, and to remain in
29 the state after graduation. The office shall adopt rules to implement the program,
30 including internship requirements, guidelines to determine which technology-related
31 courses of study are eligible under the program, and standards for eligibility.

- 1 2. Graduates of office-approved colleges may apply for the technology occupations
2 student loan program. To be eligible to receive student loan grants under the program,
3 the applicant:
 - 4 a. Must have graduated from an office-approved college;
 - 5 b. Must have completed successfully the office-approved technology-related
6 courses;
 - 7 c. Must have maintained at least a 2.5 grade point average, based on a 4.0 grading
8 system, at an office-approved college;
 - 9 d. Must have a student loan with the Bank of North Dakota or other participating
10 lender;
 - 11 e. Following graduation, must be employed in the state in an office-approved
12 technology occupation with a salary or equivalent hourly wage of sixty thousand
13 dollars or less per year; and
 - 14 f. Must have met and must continue to meet any requirements established by rule.
- 15 3. The office of higher education shall distribute student loan grants directly to the Bank
16 of North Dakota or other participating lender to repay outstanding student loan
17 principal balances for eligible applicants. The maximum student loan grant amount for
18 which an applicant may qualify is one thousand five hundred dollars per year and a
19 total of six thousand dollars, or a lesser amount established by rule adopted by the
20 office of higher education.
- 21 4. If an individual is receiving loan forgiveness under any other provision, the individual
22 may not receive loan forgiveness under this section during the same application year.

23 **15-10.5-42. Loans - Teacher shortages - Loan forgiveness.**

- 24 1. The office of higher education shall administer a student loan forgiveness program for
25 individuals teaching at grade levels, in content areas, and in geographical locations
26 identified as having a teacher shortage or critical need. The office may approve loan
27 forgiveness for no more than two teachers per year in a school district. The office shall
28 adopt rules to implement the program.
- 29 2. The superintendent of public instruction annually shall identify grade levels, content
30 areas, and geographical locations in which a teacher shortage or critical need exists.
- 31 3. To be eligible for loan forgiveness under this section, an individual must have:

- 1 a. Graduated from an accredited teacher preparation program and signed a
2 contract to teach at a grade level or in a content area and in a geographical
3 location identified by the superintendent of public instruction as having an
4 existing teacher shortage or critical need; and
- 5 b. An existing student loan.
- 6 4. For purposes of this section, the definitions of rural school district and remote town
7 school district have the same meaning as the definitions under the national center for
8 education statistics locale codes.
- 9 5. If an individual is receiving loan forgiveness under any other provision, the individual
10 may not receive loan forgiveness under this section during the same application year.
- 11 6. An eligible individual may receive loan forgiveness under the program as follows:
 - 12 a. If the individual accepts one of up to five positions of critical need in a nonrural
13 school district or nonremote town school district, the individual may receive up to
14 three thousand dollars per year for a maximum of four years.
 - 15 b. If the individual accepts a position in a rural school district or remote town school
16 district with an enrollment of fewer than one thousand students, the individual
17 may receive up to four thousand five hundred dollars per year for a maximum of
18 four years.
 - 19 c. If the individual accepts one of up to five positions of critical need in a rural
20 school district or remote town school district with an enrollment of fewer than one
21 thousand students, the individual may receive up to six thousand five hundred
22 dollars per year for a maximum of four years.
- 23 7. The superintendent of public instruction shall consider all applications under this
24 section based on the number of unfilled school vacancies, prioritized by critical need,
25 and geographic location.
- 26 8. Upon notification the individual has completed a full year of teaching in a school
27 district, state-supported school, or nonpublic school in this state at a grade level or in a
28 content area and in a geographical location identified by the superintendent of public
29 instruction as one in which a teacher shortage or critical need exists, the office shall
30 distribute funds directly to the lending institution of the individual to repay outstanding
31 loan principal balances on behalf of eligible applicants. The office shall terminate loan

1 forgiveness payments to eligible individuals when the loan principal balance of the
2 eligible individual is paid in full.

3 **15-10.5-43. Fees - Room and meals - Authorization.**

4 An institution of higher education may charge a fee for room and meals when provided by
5 the institution in connection with summer programs at the institution for which high school credit
6 is awarded. If a student or the student's parent or guardian is unable to pay the fee for room and
7 meals, the institution shall waive the fee.

8 **15-10.5-44. Long-term lease and leaseback transaction revenue.**

9 Each higher education governing board shall use revenue earned from long-term lease and
10 leaseback transactions under chapter 54-01 for the repair and upkeep of campus buildings
11 commonly referred to as deferred maintenance projects.

12 **15-10.5-45. Faculty - English pronunciation - Policy - Report.**

13 Each higher education governing board shall create a policy for all institutions under its
14 control, relating to the assessment of faculty and teaching assistant communication skills,
15 including the ability to speak English clearly and with good pronunciation, the notification to
16 students of opportunities to file complaints, the process for responding to student complaints,
17 and the resolution of reported communication problems.

18 **15-10.5-46. Veterinary medical education program - Kansas state university -**
19 **Contract.**

- 20 1. In addition to any contracts under section 15-10.5-39, a higher education governing
21 board may contract with Kansas state university to provide an opportunity for up to five
22 eligible students to enroll in the veterinary medical education program at Kansas state
23 university.
- 24 2. Eligible students must be residents of this state and selected for enrollment by an
25 admissions committee consisting of one faculty member from the department of
26 veterinary and microbiological sciences at North Dakota state university, one
27 veterinarian practicing in this state, one member of the legislative assembly, and one
28 livestock producer, all of whom must be appointed by the legislative management, and
29 the chairman of the admissions committee at the Kansas state university school of
30 veterinary medicine. The legislative management and the chairman of the admissions

1 committee at the Kansas state university school of veterinary medicine may select an
2 alternative for each of the designated positions to serve as necessary.

3 3. The admissions committee shall determine the criteria to be used in the selection of
4 eligible students, with eligible students interested in large animal veterinary medicine
5 receiving a priority.

6 **15-10.5-47. Higher education information technology - Core technology services.**

7 1. The office of higher education shall manage and regulate information technology
8 planning and services for higher education governing boards and institutions of higher
9 education including:

- 10 a. Development of information technology policies, standards, and guidelines in
11 coordination with the information technology department.
- 12 b. Implementation of a process for project management oversight and reporting.
- 13 c. Integration of higher education information technology planning and reporting
14 with the higher education governing boards' strategic planning process and
15 annual performance and accountability report required by section 15-10.5-26.
- 16 d. Participation in internet2 or other advanced higher education or research-related
17 networking projects as provided in section 54-59-08.
- 18 e. Development of an annual report concerning higher education information
19 technology planning and services.
- 20 f. Requiring utilization by each institution under the control of a higher education
21 governing board of systemwide electronic mail services provided by the office of
22 higher education for all public business electronic correspondence.
- 23 g. Development and implementation of an electronic mail retention policy for the
24 higher education governing boards and institutions under control of the governing
25 boards which requires retention of nonstudent employee electronic mail
26 messages for at least two years after the creation or receipt of the messages.

27 2. The office of higher education shall collaborate with the information technology
28 department to coordinate higher education information technology planning with
29 statewide information technology planning.

1 3. The office of higher education shall provide advice to the information technology
2 department regarding the development of policies, standards, and guidelines relating
3 to access to or use of wide area network services as provided by section 54-59-09.

4 4. The office of higher education shall present information regarding higher education
5 information technology planning, services, and major projects to the information
6 technology committee on request of the committee.

7 **15-10.5-48. Required use of electronic mail, file server administration, database**
8 **administration, application server, and hosting services.**

9 Each institution and entity under the control of a higher education governing board shall
10 obtain electronic mail, file server administration, database administration, research computing,
11 storage, application server, and hosting services through a delivery system established by the
12 office of higher education. The office shall establish policies and guidelines for the delivery of
13 services, including the transition from existing systems to functional consolidation, with
14 consideration given to the creation of efficiencies, cost-savings, and improved quality of service.

15 **15-10.5-49. Audits of computer systems - Penalty.**

16 1. An auditor hired to conduct audits of the higher education advisory committee, the
17 office of higher education, a higher education governing board, or an institution of
18 higher education may:

19 a. Conduct a review and assessment of any computer system or related security
20 system of the higher education advisory committee, the office of higher
21 education, a higher education governing board, or an institution of higher
22 education. A review and assessment under this section may include an
23 assessment of system vulnerability, network penetration, any potential security
24 breach, and the susceptibility of the system to cyber attack or cyber fraud.

25 b. Disclose the findings of a review and assessment to the office of higher education
26 or an individual or committee designated by the office of higher education. Any
27 record relating to a review and assessment, including a working paper or
28 preliminary draft of a review and assessment report and a report of the findings of
29 a review and assessment, and any record that may cause or perpetuate
30 vulnerability of a computer system or related security system which is obtained or
31 created during a review and assessment is an exempt record.

- 1 c. In conjunction with the office of higher education, procure the services of a
2 specialist in information security systems or any other contractor deemed
3 necessary in conducting a review and assessment under this section.
- 4 2. A person hired or contracted to provide services in relation to a review and
5 assessment under this section is subject to the privacy and confidentiality provisions of
6 subsection 1 and any other section of law, including section 44-04-27, and for the
7 purposes of section 12.1-13-01, is a public servant.

8 **15-10.5-50. Telecommunications and information services competition prohibited -**
9 **Report.**

- 10 1. The northern tier network, part of a national research network infrastructure, serves
11 entities within and outside this state. The office of higher education, a higher education
12 governing board, or an institution of higher education may use the northern tier
13 network infrastructure only for the purpose of supporting the research and education
14 missions of the entity. The office of higher education, a higher education governing
15 board, or an institution of higher education may not use the northern tier network
16 infrastructure for traditional internet, voice, video, or other telecommunications
17 services beyond those required for research networks.
- 18 2. The office of higher education, a higher education governing board, an institution of
19 higher education, or an affiliated entity may not resell any portion of the northern tier
20 network infrastructure to nonuniversity entities other than research collaborators.
- 21 3. The northern tier network may not replace any wide area network services to any city,
22 county, or school district which are provided by the information technology department
23 under section 54-59-08.
- 24 4. An entity using the northern tier network under this section shall submit to a biennial
25 audit of the northern tier network activities.

26 **15-10.5-51. Construction projects at institutions of higher education - Variance**
27 **reports.**

- 28 1. When any new construction, renovation, or repair valued at more than two hundred
29 fifty thousand dollars is underway on the campus of an institution of higher education,
30 the governing board for the institution shall provide semiannual project variance

- 1 reports to the director of the office of management and budget. Each report must
2 include:
- 3 a. The name or a description of the project;
 - 4 b. The expenditure authorized by the legislative assembly;
 - 5 c. The amount of the original contract;
 - 6 d. The amount of any change orders;
 - 7 e. The amount of any potential or anticipated change orders;
 - 8 f. The sum of subdivisions c through e and the amount by which that sum varies
9 from the expenditure authorized by the legislative assembly;
 - 10 g. The total expended for the project to date; and
 - 11 h. The scheduled date of completion as noted in the original contract and the latest
12 available scheduled date of completion.
- 13 2. The governing board also shall provide to the director of the office of management and
14 budget, at the same time as the project variance report required by subsection 1:
- 15 a. A brief description of each change order included in subdivision d of
16 subsection 1; and
 - 17 b. A list of each public and nonpublic entity that has a contractually reflected
18 financial obligation with respect to the project.
- 19 3. The office of management and budget shall review the information received under this
20 section and provide reports to the budget section of the legislative management upon
21 request.
- 22 **15-10.5-52. Advancement of academics - Matching grants - University of North Dakota**
23 **and North Dakota state university.**
- 24 1. a. Subject to legislative appropriations, each biennium during the period beginning
25 July first of each odd-numbered year and ending December thirty-first of each
26 even-numbered year, the office of higher education shall award one dollar in
27 matching grants for every two dollars raised by the institutional foundations of the
28 university of North Dakota and North Dakota state university for projects
29 dedicated exclusively to the advancement of academics.
 - 30 b. To be eligible for a matching grant, an institution must demonstrate:

- 1 (1) The institution's foundation has raised at least fifty thousand dollars in cash
2 or monetary pledges for a qualifying project; and
3 (2) The project has been approved by the grant review committee established
4 in section 15-10.5-55.
- 5 c. The office may award up to two hundred thousand dollars in matching grants to
6 each institution.
- 7 d. Projects at the university of North Dakota school of medicine and health sciences
8 are not eligible to receive a grant under this section.
- 9 2. a. If any available dollars have not been awarded by the office before January first
10 of each odd-numbered year, in accordance with subsection 1, the university of
11 North Dakota or North Dakota state university may apply for an additional
12 matching grant.
- 13 b. An application submitted under this subsection must meet the same criteria as an
14 original application.
- 15 c. The office shall consider each application submitted under this subsection in
16 chronological order.
- 17 d. If the remaining dollars are insufficient to provide a matching grant in the amount
18 of one dollar for every two dollars raised by the institutional foundation, the office
19 shall award a lesser amount.
- 20 3. The office of higher education shall retain up to one-quarter of one percent of any
21 grant awarded under this section to assist with administrative expenses incurred in the
22 grant review process.

23 **15-10.5-53. Advancement of academics - Matching grants - Two-year and four-year**
24 **institutions of higher education.**

- 25 1. a. Subject to legislative appropriations, each biennium during the period beginning
26 July first of each odd-numbered year and ending December thirty-first of each
27 even-numbered year, the office of higher education shall award one dollar in
28 matching grants for every two dollars raised by the institutional foundations of
29 Bismarck state college, Dakota college at Bottineau, Lake Region state college,
30 Mayville state university, Minot state university, North Dakota state college of

1 science, Valley City state university, and Williston state college for projects
2 dedicated exclusively to the advancement of academics.

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

4 (1) The institution's foundation has raised at least twenty-five thousand dollars
5 in cash or monetary pledges for a qualifying project; and

6 (2) The project has been approved by the grant review committee established
7 in section 15-10.5-55.

8 c. The office may award up to two hundred thousand dollars in matching grants to
9 each institution.

10 2. a. If any available dollars have not been awarded by the board before January first
11 of each odd-numbered year, in accordance with subsection 1, any institution
12 listed in subsection 1 may apply for an additional matching grant.

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

15 c. The office shall consider each application submitted under this subsection in
16 chronological order.

17 d. If the remaining dollars are insufficient to provide a matching grant in the amount
18 of one dollar for every two dollars raised by the institutional foundation, the office
19 shall award a lesser amount.

20 3. The office of higher education shall retain up to one-quarter of one percent of any
21 grant awarded under this section to assist with administrative expenses incurred in the
22 grant review process.

23 **15-10.5-54. Liability for pledged amount.**

24 If in accordance with section 15-10.5-52 or 15-10.5-53, the office of higher education
25 provides grant funds to an institution, on the basis of a monetary pledge, and if the amount
26 forthcoming is less than the amount pledged, the institutional foundation is liable to the
27 institution for any shortfall.

28 **15-10.5-55. Grant review committee.**

29 1. The grant review committee consists of:

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

- 1 b. Two members of the house of representatives appropriations committee,
2 selected by the majority leader of the house of representatives;
3 c. Two members of the senate appropriations committee, selected by the majority
4 leader of the senate;
5 d. Two members appointed by the governor, with the consent of the legislative
6 management; and
7 e. Two members appointed by the office of higher education, with the consent of the
8 legislative management.
- 9 2. The gubernatorial appointees must have an understanding of higher education's role
10 in advancing agriculture, the arts, commerce and finance, manufacturing, mineral
11 extraction, natural resources, and the professions.
- 12 3. The grant review committee shall establish its rules of operation and procedure and
13 shall develop and publish the criteria upon which all requests for matching grants will
14 be reviewed.
- 15 4. a. A request for a matching grant may be presented to the committee by:
16 (1) The president of the institution; or
17 (2) A designee of the president.
- 18 b. Either presenter may be accompanied by other individuals having an expertise
19 with respect to the project.
- 20 c. If the request is to be presented by a designee of a president, the designee shall
21 provide to the committee a written statement signed by the president and
22 certifying the president has full knowledge of all aspects of the request, as it is
23 presented.

24 **15-10.5-56. Grant review committee - Compensation.**

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

1 **15-10.5-57. Definition.**

2 For purposes of sections 15-10.5-52 through 15-10.5-56, projects dedicated to the
3 advancement of enhanced academics include investments in research, scholarships,
4 technology, endowed chairs, and investments in educational infrastructure, but exclude
5 scholarships intended solely for the benefit of athletics, campus facility repair projects, and new
6 capital construction projects.

7 **15-10.5-58. Student journalists - Freedom of expression - Civil remedy.**

8 1. As used in this section:

9 a. "Protected activity" means an expression of free speech or freedom of the press.

10 b. "School-sponsored media" means any material prepared, substantially written,
11 published, or broadcast by a student journalist at a public institution of higher
12 education, distributed or generally made available to members of the student
13 body, and prepared under the direction of a student media adviser. The term
14 does not include any media intended for distribution or transmission solely in the
15 classroom in which the media is produced.

16 c. "Student journalist" means a student of a public institution of higher education
17 who gathers, compiles, writes, edits, photographs, records, or prepares
18 information for dissemination in school-sponsored media.

19 d. "Student media adviser" means an individual employed, appointed, or designated
20 by a public institution of higher education to supervise or provide instruction
21 relating to school-sponsored media.

22 2. Except as provided in subsection 3, a student journalist has the right to exercise
23 freedom of speech and of the press in school-sponsored media, regardless of whether
24 the media is supported financially by the institution or by use of facilities of the
25 institution or produced in conjunction with a class in which the student is enrolled.
26 Subject to subsection 3, a student journalist is responsible for determining the news,
27 opinion, feature, and advertising content of school-sponsored media. This subsection
28 may not be construed to prevent a student media adviser from teaching professional
29 standards of English and journalism to student journalists. A student media adviser
30 may not be dismissed, suspended, or disciplined for acting to protect a student

1 journalist engaged in a protected activity or for refusing to infringe on a protected
2 activity.

3 3. This section does not authorize or protect expression by a student that:

4 a. Is libelous, slanderous, or obscene;

5 b. Constitutes an unwarranted invasion of privacy;

6 c. Violates federal or state law; or

7 d. So incites students as to create a clear and present danger of the commission of
8 an unlawful act, the violation of policy of an institution of higher education or its
9 governing board, or the material and substantial disruption of the orderly
10 operation of the institution.

11 4. An expression of free speech or freedom of the press made by a student journalist
12 under this section may not be construed as an expression of school policy. A school,
13 school official, employee, or parent or legal guardian of a student journalist may not be
14 liable in any civil or criminal action for an expression of free speech or freedom of the
15 press made by a student journalist, except in the case of willful or wanton misconduct.

16 **15-10.5-59. Disciplinary proceedings - Right to counsel for students and**
17 **organizations - Appeals.**

18 1. Any student enrolled at an institution of higher education has the right to be
19 represented, at the student's expense, by the student's choice of either an attorney or
20 a nonattorney advocate, who may participate fully during any disciplinary proceeding
21 or during any other procedure adopted and used by that institution to address an
22 alleged violation of the institution's rules or policies. This right applies to both the
23 student who has been accused of the alleged violation and to the student who is the
24 accuser or victim. This right only applies if the disciplinary proceeding involves a
25 violation that could result in a suspension or expulsion from the institution. This right
26 does not apply to matters involving academic misconduct. Before the disciplinary
27 proceeding is scheduled, the institution shall inform the students in writing of the
28 students' rights under this section.

29 2. Any student organization officially recognized by an institution of higher education has
30 the right to be represented, at the student organization's expense, by the student
31 organization's choice of either an attorney or nonattorney advocate, who may fully

1 participate during any disciplinary proceeding or during any other procedure adopted
2 and used by the institution to address an alleged violation of the institution's rules or
3 policies. This right only applies if the disciplinary proceeding involves a violation that
4 could result in the suspension or the removal of the student organization from the
5 institution. This right applies to both the student organization accused of the alleged
6 violation and to the accuser or victim.

7 3. a. Any student who is suspended or expelled from an institution of higher education
8 for a violation of the rules or policies of that institution and any student
9 organization found to be in violation of the rules or policies of that institution must
10 be afforded an opportunity to appeal the institution's initial decision to an
11 institutional administrator or body that did not make the initial decision for a
12 period of one year after receiving final notice of the institution's decision. The
13 right to appeal the result of the institution's disciplinary proceeding applies to a
14 student who is the accuser or victim.

15 b. The right of the student or the student organization under subsection 1 or 2 to be
16 represented, at the student's or the student organization's expense, by the
17 student's or the student organization's choice of either an attorney or a
18 nonattorney advocate, also applies to the appeal.

19 c. The issues that may be raised on appeal include new evidence, contradictory
20 evidence, and evidence the student or student organization was not afforded due
21 process. The institutional body considering the appeal may consider police
22 reports, transcripts, and the outcome of any civil or criminal proceeding directly
23 related to the appeal.

24 4. Upon consideration of the evidence, the institutional body considering the appeal may
25 grant the appeal, deny the appeal, order a new hearing, or reduce or modify the
26 suspension or expulsion. If the appeal results in the reversal of the decision or a
27 lessening of the sanction, the institution may reimburse the student for any tuition and
28 fees paid to the institution for the period of suspension or expulsion which had not
29 been previously refunded.

30 5. For purposes of this section, "participate fully" includes the opportunity to make
31 opening and closing statements, to examine and cross-examine witnesses, and to

1 provide the accuser or accused with support, guidance, and advice. This section does
2 not require an institution to use formal rules of evidence in institutional disciplinary
3 proceedings. The institution, however, shall make good faith efforts to include relevant
4 evidence and exclude evidence which is neither relevant or probative.

5 6. This section does not affect the obligation of an institution to provide equivalent rights
6 to a student who is the accuser or victim in the disciplinary proceeding under this
7 section, including equivalent opportunities to have others present during any
8 institutional disciplinary proceeding, to not limit the choice of attorney or nonattorney
9 advocate in any meeting or institutional disciplinary proceeding, and to provide
10 simultaneous notification of the institution's procedures for the accused and the
11 accuser or victim to appeal the result of the institutional disciplinary proceeding.

12 **15-10.5-60. Workforce, vocational, and technical education program.**

13 The higher education advisory committee shall ensure institutions of higher education offer
14 coordinated workforce training, vocational education, and technical education programs. The
15 advisory committee periodically shall review programs offered by the institutions and revise
16 program offerings based on the workforce needs of the state identified by the workforce
17 education advisory council. The advisory committee shall develop administrative arrangements
18 that make possible the efficient use of facilities and staff. The advisory committee shall limit
19 administrative costs by working with governing boards to eliminate duplicative administrative
20 positions.

21 **15-10.5-61. Workforce education advisory council - Membership - Duties.**

22 The office of higher education shall establish a workforce education advisory council to
23 advise the advisory council regarding skills and qualifications needed for workforce training,
24 vocational, and technical education programs offered at institutions of higher education. The
25 council is composed of a representative of the department of career and technical education, a
26 representative of job service North Dakota, a representative of the department of commerce,
27 and eight members representing business and industry in the state. The eight members
28 representing business and industry are appointed by the chairman of the legislative
29 management. The office of higher education shall provide staff services for the workforce
30 education advisory council. Members of the council who are not employees of the state are

1 entitled to expense reimbursement from the office of higher education, as provided by law for
2 state officers, for attending meetings of the council.

3 **15-10.5-62. Annual report - Scholarships.**

4 The office of higher education shall provide to the legislative management an annual report
5 regarding the number of North Dakota academic scholarships and career and technical
6 education scholarships provided and demographic information pertaining to the recipients.

7 **15-10.5-63. Dual-credit courses - Pilot program.**

8 1. The office of higher education shall establish a four-year pilot program to offer a credit
9 incentive to instructors teaching dual-credit courses in core subject matter areas at
10 public or private high schools in the state. An instructor who participates in the
11 program is entitled to receive a credit-for-credit coupon that may be used toward
12 graduate level classes at a public or private postsecondary education institution in the
13 state. The office shall provide a qualified participant with a coupon that covers the cost
14 of tuition for one graduate level credit in an amount not exceeding the tuition charged
15 for the credit at the institution in which the participant is enrolled, except the amount
16 may not exceed the highest tuition for a graduate level credit charged at a state
17 institution of higher education, for every credit-hour of a dual-credit course the
18 individual teaches. An individual is eligible for the program if the individual teaches a
19 concurrent dual enrollment class at a public or private high school in the state and the
20 class includes at least four students receiving dual credit.

21 2. If an individual eligible for a credit coupon offered under this section has met
22 accreditation qualification standards, the individual may transfer a credit coupon to a
23 family member or to a student being taught by the individual.

24 3. The office of higher education shall develop a long-term sustainability plan for the
25 program and, if determined necessary, continue the program for up to five additional
26 years.

27 **15-10.5-64. Nickel trophy.**

28 To promote national recognition and statewide enthusiasm, the legislative assembly
29 encourages the university of North Dakota and the North Dakota state university of agriculture
30 and applied science to play for the nickel trophy during the course of a national collegiate
31 athletic association football game. If the athletic director or president of either institution elects

1 not to play for the nickel trophy, the nickel trophy must be permanently displayed in the heritage
2 center.

3 **15-10.5-65. Capital project and capital lease requests - Maintenance reserve account.**

4 1. Notwithstanding any existing agreements, an institution of higher education shall
5 obtain approval from the legislative assembly before the institution acquires any
6 additional facility space to be used by the institution for any purpose, if the acquisition
7 would result in additional operating costs funded from any source. This subsection
8 does not apply to operating lease agreements that preclude the ownership of the
9 leased facility.

10 2. Notwithstanding any existing agreements, an institution of higher education shall
11 obtain approval from the legislative assembly before an institution purchases, rents,
12 occupies, or otherwise utilizes a building or any portion of a building for a purpose that
13 directly or indirectly supports or relates to the institution's educational or administrative
14 functions if the building is located more than ten miles from the campus of the
15 institution. This subsection does not apply to buildings used by an institution to offer
16 dual-credit courses, buildings used by the agricultural experiment station and research
17 extension centers, and buildings used by the North Dakota state university extension
18 service. For purposes of this section, "campus" means the campus of the institution
19 under the Federal Clery Act [Pub. L. 105-244; 20 U.S.C. 1092(f)].

20 3. An institution of higher education may undertake a facility renovation project only if the
21 project will reduce the deferred maintenance amount of the facility by no less than
22 seventy-five percent of the total cost of the renovation. The institution shall maintain
23 documentation that demonstrates the cost and scope of the deferred maintenance
24 reduction that results directly from the renovation. This subsection does not apply to
25 projects undertaken solely to correct building code deficiencies or to installations of
26 infrastructure determined by the institution's governing board to be essential to the
27 mission of the institution.

28 4. Facility construction and renovation projects undertaken by an institution of higher
29 education must conform to campus master plan and space utilization requirements
30 approved by the institution's governing board and the higher education advisory
31 committee.

1 5. An institution that obtains legislative approval under subsection 1 shall establish a
2 maintenance reserve fund of three percent of the total construction cost or
3 replacement value, whichever is greater, of the acquired space. The institution's plans
4 for funding the maintenance reserve fund must be included in the request for
5 legislative approval under subsection 1. Maintenance reserve funds must be deposited
6 in an account under the control of the institution's higher education governing board
7 before the acquired space may be occupied, and the funds may be used for
8 maintenance repairs after the total deferred maintenance of the space exceeds thirty
9 percent of its replacement value. The funds may not be used for any other purpose.
10 This subsection does not apply to additional space acquired through the sale of
11 revenue bonds that require by covenant the establishment of maintenance reserve
12 funds.

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

15 **15-11-15. Tests of state mineral and other resources - Duty of ~~state board of higher~~**
16 **~~education~~research university governing board - Bulletins published.**

17 The ~~state board of higher education~~research university governing board shall provide at the
18 university of North Dakota suitable means for experimentation and practical testing of the
19 mineral and other allied resources of the state in order to demonstrate their fitness for mining
20 and manufacturing industries.

21 **SECTION 15. AMENDMENT.** Section 15-11-22 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **15-11-22. State university alumni building - Construction on campus - Power of ~~state~~**
24 **~~board of higher education~~research university governing board.**

25 The alumni association of the university of North Dakota, a corporation, with the advice and
26 consent of the ~~state board of higher education~~research university governing board, may select a
27 space and plat of ground upon the campus of the university, not exceeding three hundred feet
28 [91.44 meters] in length and one hundred fifty feet [45.72 meters] in width, for the purpose of
29 erecting and maintaining ~~thereon~~ on the space an alumni building by the alumni association, to
30 cost not less than seventy-five thousand dollars.

1 **SECTION 16. AMENDMENT.** Section 15-11-30 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-11-30. Sale of university land to fraternal societies.**

4 The ~~state board of higher education~~research university governing board is hereby
5 authorized to plat and replat, and after ~~such~~ platting, to sell and convey tracts of land lying
6 within the east thirty-one acres [12.55 hectares] of the north half of the southwest quarter of
7 section five in township one hundred fifty-one north, range fifty west of the fifth meridian, in
8 Grand Forks County, North Dakota, of ~~such~~a size as may in the judgment of ~~said~~the governing
9 board be for the best interests of the university, at ~~such~~ prices ~~as may be~~ determined by ~~said~~the
10 governing board to be adequate and proper in the light of the cost ~~thereof~~of the land and of the
11 improvements provided, to fraternities, sororities, and institutional dormitory corporations for use
12 solely and only as sites for fraternity houses, sorority houses, dormitories, and like buildings, for
13 the housing of students and faculty of the university of North Dakota.

14 All ~~such~~ deeds of conveyance for conveyances under this section must contain a provision
15 for the reversion of the title ~~thereto~~to the land and improvements to the state of North Dakota
16 should ~~said~~the premises ever be used for purposes other than those ~~above provided~~permitted
17 under this section.

18 Conveyances of ~~said~~ property under this section must be executed in the name of the state
19 of North Dakota by the governor and attested by the secretary of state, under the great seal of
20 the state of North Dakota, upon resolution duly adopted by the ~~state board of higher~~
21 ~~education~~research university governing board and filed with the secretary of state.

22 **SECTION 17. AMENDMENT.** Subsection 2 of section 15-11-35 of the North Dakota Century
23 Code is amended and reenacted as follows:

24 2. The ~~state board of higher education~~ administrator shall appoint a director of the fetal
25 alcohol syndrome program. The director shall prepare an annual report on the status
26 of fetal alcohol syndrome in North Dakota.

27 **SECTION 18. AMENDMENT.** Section 15-12-10 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **15-12-10. Experiment station - Administered by board - Purpose.**

30 The agricultural experiment station established in connection with the North Dakota state
31 university of ~~agriculture and applied science~~ must be operated under the direction of the ~~state~~

1 ~~board of higher education~~research university governing board for the purpose of conducting
2 experiments in agriculture according to the provisions of section 1 of the Act of Congress
3 approved March 2, 1887, entitled "An act to establish agricultural experiment stations in
4 connection with the colleges established in the several states under the provisions of an act
5 approved July 2, 1862, and of the acts supplementary thereto".

6 **SECTION 19. AMENDMENT.** Section 15-12.1-01 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-12.1-01. Definitions.**

9 In this chapter, unless the context otherwise requires:

- 10 1. "Agricultural experiment station" means the North Dakota state university main
11 research center, the Dickinson research extension center, the Williston research
12 extension center, the Langdon research extension center, the central grasslands
13 research extension center, the Carrington research extension center, the Hettinger
14 research extension center, the north central research extension center, the agronomy
15 seed farm, and any other department or agency designated by the ~~state board of~~
16 ~~higher education~~research university governing board.
- 17 2. "Center director" means the administrator in charge of a research or research
18 extension center.
- 19 3. "Station director" means the administrator of the agricultural experiment station.

20 **SECTION 20. AMENDMENT.** Section 15-12.1-02 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15-12.1-02. Agricultural experiment station.**

23 The state board of agricultural research and education and the president of North Dakota
24 state university shall control and administer the North Dakota agricultural experiment station
25 subject to the supervision of the ~~state board of higher education~~research university governing
26 board. Funds appropriated to the agricultural experiment station may not be commingled with
27 funds appropriated to North Dakota state university. Appropriation requests to defray expenses
28 of the agricultural experiment station must be separate from appropriation requests to defray
29 expenses of North Dakota state university.

30 **SECTION 21. AMENDMENT.** Section 15-12.1-04 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **15-12.1-04. Reports.**

2 Each center director shall submit an annual report to the station director. Each report must
3 set forth in detail the investigations and experiments made during the preceding year,
4 recommendations for the welfare of the center, the financial condition of the center, how all
5 moneys have been expended during the preceding year, and the results of all experiments that
6 have been completed during the preceding year. By September first of each year, the station
7 director shall submit these reports, with a report of the North Dakota state university main
8 research center, to the state board of agricultural research and education and the ~~state board of~~
9 ~~higher education~~ research university governing board.

10 **SECTION 22. AMENDMENT.** Subsection 4 of section 15-12.1-14 of the North Dakota
11 Century Code is amended and reenacted as follows:

- 12 4. a. At least ninety days before the term of a member appointed by the ag coalition
13 expires, the ag coalition shall provide to the ~~state board of higher education~~ North
14 Dakota state university governing board a list of one or more names from which
15 the ~~state board of higher education~~ governing board shall appoint a successor.
16 The ~~state board of higher education~~ governing board shall ensure four out of the
17 five seats are held by agricultural producers.
- 18 b. At least ninety days before the term of a member appointed by the extension
19 service's multicounty program units expires, the units through their advisory
20 groups shall provide to the ~~state board of higher education~~ research university
21 governing board a list of one or more names from which the ~~state board of higher~~
22 ~~education~~ governing board shall appoint a successor. The ~~state board of higher~~
23 ~~education~~ governing board shall ensure four out of the five seats are held by
24 agricultural producers.

25 **SECTION 23. AMENDMENT.** Section 15-12.1-17 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **15-12.1-17. State board of agricultural research and education - Duties.**

28 Within the policies of the ~~state board of higher education~~ research university governing
29 board, the state board of agricultural research and education is responsible for budgeting and
30 policymaking associated with the agricultural experiment station and the North Dakota state
31 university extension service. The state board of agricultural research and education shall:

- 1 1. Determine the causes of any adverse economic impacts on crops and livestock
2 produced in this state;
- 3 2. Develop ongoing strategies for the provision of research solutions and resources to
4 negate adverse economic impacts on crops and livestock produced in this state;
- 5 3. Develop proactive strategies for the extension service to fulfill the mission of improving
6 the lives and livelihood of the citizens of North Dakota by providing research-based
7 education;
- 8 4. Implement the strategies developed under subsections 2 and _3, subject to approval
9 by the ~~state board of higher education~~ research university governing board;
- 10 5. Develop, with the agricultural experiment station and the North Dakota state university
11 extension service, an annual budget for the operations of these entities;
- 12 6. Develop a biennial budget request based on its prioritized needs list and submit that
13 request to the president of North Dakota state university and the ~~state board of higher~~
14 ~~education~~ research university governing board, and forward its prioritized needs list
15 and request without modification to the office of management and budget and the
16 appropriations committees of the legislative assembly;
- 17 7. Maximize the use of existing financial resources, equipment, and facilities to generate
18 the greatest economic benefit from research and extension efforts and to promote
19 efficiency;
- 20 8. Annually evaluate the results of research and extension activities and expenditures
21 and report the findings to the legislative management and the ~~state board of higher~~
22 ~~education~~ research university governing board;
- 23 9. Advise the president of North Dakota state university regarding the recruitment,
24 selection, and performance of the vice president of agricultural affairs, the extension
25 service director, and the station director; and
- 26 10. Provide a status report to the budget section of the legislative management.

27 **SECTION 24. AMENDMENT.** Section 15-17-03 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **15-17-03. Limitations on powers of institutional holding association.**

30 An institutional holding association is subject to the following limitations and restrictions:

- 1 1. Dormitories and their equipment and appurtenances must be erected and installed
2 only according to plans and specifications ~~therefor~~ approved by the ~~state board of~~
3 higher education governing board for the institution for which the dormitories and their
4 equipment and appurtenances are erected and installed, and at a cost for site,
5 building, and equipment to be fixed by the governing board within the maximum limit
6 provided in this section.
- 7 2. ~~Such dormitories~~ A dormitory and ~~their~~ its equipment and appurtenances for a state
8 institution of higher education under this chapter must be owned, managed, operated,
9 and conducted at all times by the association, its successors or assigns, solely for the
10 educational purpose provided in this chapter in connection with ~~one of the state~~
11 ~~educational institutions and must be~~ institution of higher education; under the control
12 and supervision of the ~~state board of~~ higher education; governing board for the
13 institution; and operated according to ~~such~~ rules and regulations, including rental
14 charges, ~~as must be~~ prescribed by the governing board, ~~but such~~. The rental charges
15 may not be less than an amount sufficient to pay the interest on the bonded
16 indebtedness and the serial bonds of the association as they mature.
- 17 3. An institutional holding association must be nonprofit sharing; ~~shall and may not~~ issue
18 ~~no~~ corporate stock, ~~and no~~. A member of the association may not have or acquire any
19 divisional or other share or interest in any ~~of its~~ property of the association.
- 20 4. The income of ~~such an~~ association under this chapter must be applied only to the
21 payment of its debts and operating expenses, including necessary repairs and upkeep
22 of its properties.
- 23 5. When all of the debts against any site, dormitory, and equipment are paid, all of the
24 right, title, and interest of the association or its successors or assigns ~~therein~~ in the
25 site, dormitory, and equipment terminates immediately, and the ~~same becomes~~ right,
26 title, and interest become the property of and must be conveyed to the state.
- 27 6. Any transfer or encumbrance of the property of an institutional holding association,
28 except as permitted in this chapter, is prohibited and is null and void.
- 29 7. The amount of money borrowed or debts contracted by an institutional holding
30 association may not exceed the aggregate cost of the site, dormitory, and equipment
31 as fixed by the ~~state board of higher education~~ governing board of the institution of

- 1 higher education for which the dormitory and equipment were constructed, and the
2 payment thereof ~~of the debts~~ may not extend over a period of more than fifty years.
3 The terms and conditions of such loans or debts under the chapter, except as herein-
4 provided in the chapter, must be fixed and approved by the governing board.
- 5 8. Dormitories must be erected only at the state educational institutions ~~herein named of~~
6 higher education in this subsection, and within the cost limits for site, building, and
7 equipment ~~herein specified~~ in this subsection:
- 8 a. One at or near the university at a cost of not more than two hundred thousand
9 dollars.
- 10 b. One at or near the North Dakota state university of agriculture and applied
11 science at a cost of not more than two hundred thousand dollars.
- 12 c. One at or near each of the normal schools located at Valley City, Mayville, Minot,
13 and Dickinson at a cost of not more than one hundred fifty thousand dollars.
- 14 d. One at or near the state school of science at Wahpeton at a cost of not more than
15 one hundred thousand dollars.
- 16 e. One at or near Dakota college; at Bottineau at a cost of not more than fifty
17 thousand dollars.
- 18 9. ~~No~~ A dormitory may not be erected upon the campus of any state educational-
19 institution of higher education until a written permit ~~therefor~~ for the dormitory first is
20 granted and issued to the association by the ~~state board of higher education governing~~
21 board for the institution at which the dormitory would be erected. ~~Such~~ The permit must
22 describe the ground to be used and ~~must~~ provide that the dormitory to be erected
23 ~~thereon~~ must be erected, owned, and operated only by the association, its successors
24 and assigns. The association and its successors and assigns shall acquire no right,
25 title, or interest in and to the campus site, the dormitory erected ~~thereon~~ on the
26 campus, or the equipment ~~thereof of the dormitory~~, except the right to operate the
27 dormitory solely for the educational purposes, in the manner, and upon the terms and
28 conditions provided in this chapter.

29 **SECTION 25. AMENDMENT.** Section 15-17-05 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **15-17-05. ~~State board of higher~~Higher education governing boards may lease or**
2 **purchase dormitory - State to incur no liability.**

3 ~~The state board of~~Each higher education governing board has the power, and the state
4 ~~shall~~may not incur ~~neany~~ liability whatever by reason of the exercise of the authority granted to
5 ~~thea~~ governing board of higher education byunder this chapter:

- 6 1. To take all necessary and proper action and proceedings to carry out the terms and
7 provisions of this chapter and to do and perform all of the acts and duties imposed
8 upon said board.
- 9 2. To lease from an institutional holding association, its successors or assigns, the site,
10 dormitory, and equipment, or any of them, for a term of not to exceed fifty years, to be
11 used and operated by the board solely for educational purposes in connection with
12 one of the ~~educational~~ institutions of higher education governed by the board
13 enumerated in this chapter. ~~Such~~The lease must provide for the payment to ~~such~~the
14 association, its successors or assigns, of a net cash annual rental of not more than
15 fifteen percent of the cost of the site, dormitory, and equipment, but at least equal to
16 an amount sufficient to pay the interest on the bonded indebtedness of the association
17 and to retire its serial bonds as they mature. The annual rental ~~shall~~must be payable
18 solely and exclusively out of the income derived from the operation of the dormitory.
- 19 3. To purchase from an institutional holding association, its successors or assigns, the
20 site, dormitory, and equipment, or any of them, at a price not to exceed the cost of the
21 same, to be used and operated by ~~said~~the governing board solely for educational
22 purposes in connection with one of the ~~educational~~ institutions of higher education
23 governed by the board enumerated in this chapter. ~~Such~~The purchase price ~~shall~~must
24 be payable for not more than fifty years, in annual installments of not more than fifteen
25 percent of the purchase price, at a rate of interest of not more than five percent per
26 annum, payable semiannually, and ~~shall~~must be payable solely and exclusively out of
27 the income derived from the operation of ~~such~~the dormitory.

28 **SECTION 26. AMENDMENT.** Section 15-18-06 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **15-18-06. Proceeds of levy to be certified to special school district.**

2 The proceeds of any tax levy hereby authorized under this section must be certified
3 quarterly to the clerk of any special school district which maintained a junior college or
4 off-campus educational center pursuant to this chapter as it existed on June 30, 1984. The
5 proceeds must be placed in a special junior college fund or an off-campus center fund and must
6 be used to finance any residual or other fiscal obligations of the special school district under the
7 terms of an agreement between the district and a higher education governing board, institution
8 of higher education, or the state board of higher education, its successors or assigns.

9 **SECTION 27. AMENDMENT.** Section 15-18.1-01 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **15-18.1-01. Definitions.**

12 As used in this chapter:

- 13 1. "Authorization to operate" or like term means approval of the ~~board~~office to operate or
14 to contract to operate a postsecondary educational institution in this state.
- 15 2. ~~"Board" means the state board of higher education.~~
- 16 ~~3.~~ "Education" or "educational services" or like term includes any class, course, or
17 program of training, instruction, or study.
- 18 ~~4.3.~~ "Educational credentials" means degrees, diplomas, certificates, transcripts, reports,
19 documents, or letters of designation, marks, appellations, series of letters, numbers, or
20 words which signify, purport, or are generally taken to signify enrollment, attendance,
21 progress, or satisfactory completion of the requirements or prerequisites for education
22 at a postsecondary educational institution operating in this state.
- 23 ~~5.4.~~ "Office" means office of higher education.
- 24 5. "Postsecondary educational institution" means an academic, technical, home study,
25 business, professional or other school, college, or university, or other person,
26 operating in this state, offering educational credentials or offering instruction or
27 educational services, primarily to any individual who has completed or terminated
28 secondary education or who is beyond the age of compulsory high school attendance,
29 for attainment of educational, or professional objectives at the associate in arts level or
30 higher.
- 31 6. "To grant" includes awarding, selling, conferring, bestowing, or giving.

1 7. "To offer" includes, in addition to its usual meanings, advertising, publicizing, soliciting,
2 or encouraging any individual, directly or indirectly, in any form, to perform the act
3 described.

4 8. "To operate" an educational institution, or like term, means to establish, keep, or
5 maintain any facility or location in this state where, from, or through which, education
6 is offered or given, or educational credentials are offered or granted, and includes
7 contracting with any person to perform any such act.

8 **SECTION 28. AMENDMENT.** Section 15-18.1-02 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **15-18.1-02. Exemptions.**

11 The following education and educational schools or institutions are exempted from the
12 provisions of this chapter:

- 13 1. Education sponsored by a bona fide trade, business, professional, or fraternal
14 organization, so recognized by the ~~board~~office, solely for that organization's
15 membership, or offered on a no-fee basis.
- 16 2. Education offered by charitable institutions, organizations, or agencies, so recognized
17 by the ~~board~~office, provided the education is not advertised or promoted as leading
18 toward educational credentials.
- 19 3. Postsecondary educational institutions established, operated, and governed by this or
20 any other state or its political subdivisions, as determined by the ~~board~~office and any
21 educational consortium that includes one or more of the institutions.
- 22 4. Private four-year institutions chartered or incorporated and operating in the state prior
23 to July 1, 1977, so long as the institutions retain accreditation by national or regional
24 accrediting agencies recognized by the United States office of education.
- 25 5. Schools of nursing regulated under chapter 43-12.1.
- 26 6. Native American colleges operating in this state, established by federally recognized
27 Indian tribes.
- 28 7. Postsecondary educational institutions not operating in this state.
- 29 8. Institutions whose only physical presence in this state consists of students enrolled in
30 practicums, internships, clinicals, or student teaching in this state.
- 31 9. Postsecondary career schools regulated under chapter 15-20.4.

1 **SECTION 29. AMENDMENT.** Section 15-18.1-03 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-18.1-03. Voluntary application for authorization to operate.**

4 Although a postsecondary educational institution not operating in this state is exempt from
5 this chapter by section 15-18.1-02, the institution may subject itself to the requirements of this
6 chapter by applying for and being awarded an authorization to operate by the boardoffice. An
7 authorization to operate, as applied to a postsecondary educational institution not operating in
8 this state, means approval of the boardoffice to offer to students in this state educational
9 services leading to educational credentials.

10 **SECTION 30. AMENDMENT.** Section 15-18.1-04 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **15-18.1-04. BoardOffice powers and duties.**

13 The boardoffice shall:

- 14 1. Establish and require compliance with minimum standards and criteria for
15 postsecondary educational institutions under this chapter. The standards and criteria
16 must include quality of education, ethical and business practices, health and safety
17 and fiscal responsibility, which applicants for authorization to operate shall meet:
 - 18 a. Before such authorization may be issued; and
 - 19 b. To continue such authorization in effect.
- 20 2. Prescribe forms and conditions for, receive, investigate as it may deem necessary, and
21 act upon applications for authorization to operate postsecondary educational
22 institutions.
- 23 3. Maintain a list of postsecondary educational institutions authorized to operate in this
24 state.
- 25 4. Consider entering interstate reciprocity agreements with similar agencies in other
26 states.
- 27 5. Receive and maintain in a permanent file, copies of academic records specified by the
28 boardoffice in the event any postsecondary educational institution required to have an
29 authorization to operate under this chapter proposes to discontinue its operation.
- 30 6. Adopt policies for the conduct of its work and the implementation of this chapter.

- 1 7. Adopt policies to investigate on its own initiative or in response to any complaint
- 2 lodged with it, any person subject to, or reasonably believed by the board to be subject
- 3 to, the jurisdiction of this chapter. The ~~board~~office may, after hearing, revoke or
- 4 suspend authorizations to operate.
- 5 8. Require fees or bonds from postsecondary educational institutions in ~~such~~ sums and
- 6 under ~~such~~ conditions as it may establish.
- 7 9. Apply fees received under this chapter to implement and manage its duties under this
- 8 chapter.
- 9 10. Take any action necessary to carry out the provisions of this chapter.

10 **SECTION 31. AMENDMENT.** Section 15-18.1-05 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **15-18.1-05. Minimum standards.**

13 All postsecondary educational institutions must be accredited by national or regional
14 accrediting agencies recognized by the United States department of education. The ~~board~~office
15 may additionally require such further evidence and make such further investigation as in its
16 judgment may be necessary. Any postsecondary educational institution operating in this state
17 seeking its first authorization to operate may be issued a provisional authorization to operate on
18 an annual basis until the institution becomes eligible for accreditation by a recognized
19 accrediting agency. Institutions issued a provisional authorization to operate must demonstrate
20 a substantial good-faith showing of progress toward such status. Only upon accreditation may
21 an institution become eligible for a regular authorization to operate. An institution shall give
22 written notification to the ~~board~~office within thirty days of any change to the institution's
23 accreditation status.

24 **SECTION 32. AMENDMENT.** Section 15-18.1-06 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **15-18.1-06. Prohibition - Penalty.**

- 27 1. A person may not:
 - 28 a. Operate, in this state, a postsecondary educational institution not exempted from
 - 29 the provisions of this chapter, unless the institution has a currently valid
 - 30 authorization to operate issued under this chapter.

- 1 b. Instruct or educate, or offer to instruct or educate, including advertising or
2 soliciting for ~~such purpose~~instructing or educating, enroll or offer to enroll,
3 contract or offer to contract with any person for ~~such purpose~~instructing or
4 educating, or award any educational credential, or contract with any institution or
5 party to perform any ~~such act of the acts in this subdivision~~, at a facility or location
6 in this state unless ~~such~~the person, group, or entity observes and is in
7 compliance with the minimum standards and criteria established by the
8 ~~board~~office and the policies adopted by the ~~board~~office.
- 9 c. Use the term "university", "institute", or "college" without authorization to do so
10 from the ~~board~~office.
- 11 d. Grant, or offer to grant, educational credentials, without authorization to do so
12 from the ~~board~~office.
- 13 2. A person who violates this section, or who fails or refuses to deposit with the
14 ~~board~~office the records required by the ~~board~~office under this chapter, is subject to a
15 civil penalty not to exceed one hundred dollars for each violation. Each day's failure to
16 comply with these provisions is a separate violation. The fine may be imposed by the
17 board in an administrative proceeding or by any court of competent jurisdiction.
- 18 3. A person who willfully violates this section, or who willfully fails or refuses to deposit
19 with the ~~board~~office the records required by the ~~board~~office under this chapter, is guilty
20 of a class B misdemeanor. The criminal sanctions may be imposed by a court of
21 competent jurisdiction in an action brought by the attorney general of this state or a
22 state's attorney pursuant to section 15-18.1-12.

23 **SECTION 33. AMENDMENT.** Section 15-18.1-07 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **15-18.1-07. Refund of tuition fees.**

26 Postsecondary educational institutions shall refund tuition and other charges, other than a
27 reasonable application fee, in accordance with the schedule determined by the ~~board~~office.

28 **SECTION 34. AMENDMENT.** Section 15-18.1-10 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **15-18.1-10. BoardOffice review.**

2 A person aggrieved by a decision of the ~~board~~office respecting denial or revocation of an
3 authorization to operate, or the placing of conditions ~~thereon~~on an authorization to operate,
4 whether on initial application or on application for renewal may appeal to the ~~board~~office in the
5 manner provided by the ~~board~~office.

6 **SECTION 35. AMENDMENT.** Section 15-18.1-12 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-18.1-12. Enforcement - Injunction.**

- 9 1. The attorney general of this state, or the state's attorney of any county in which a
10 postsecondary educational institution is found, at the request of the ~~board~~office or on
11 the attorney general's own motion, may bring any appropriate action or proceeding,
12 including injunctive proceedings or criminal proceedings, in any court of competent
13 jurisdiction for the enforcement of the provisions of this chapter.
- 14 2. Whenever it appears to the ~~board~~that office a person is about to, or has been violating
15 ~~any of the provisions of~~ this chapter or any policies or orders of the ~~board~~office, the
16 ~~board~~office may file, on its own motion or on the written complaint of any individual, ~~file~~
17 a petition for injunction in the name of the ~~board~~office in any court in this state against
18 ~~at~~ the person, ~~for the purpose of enjoining such~~to enjoin the violation or for an order
19 directing compliance with this chapter, and any policies or orders issued by the
20 ~~board~~office. ~~It is not necessary that the board~~The office need not allege or prove that it
21 has no adequate remedy at law. The right of injunction provided in this section is in
22 addition to any other legal remedy ~~which the board~~the office has, and is in addition to
23 any right of criminal prosecution provided by law; provided, however, the ~~board~~office
24 may not obtain a temporary restraining order without notice to the person affected.

25 **SECTION 36. AMENDMENT.** Subsection 4 of section 15-18.1-13 of the North Dakota
26 Century Code are amended and reenacted as follows:

- 27 4. As used in this section, "duly authorized institution of higher learning" means an
28 institution that:
- 29 a. Has accreditation recognized by the United States secretary of education or has
30 the foreign equivalent of such accreditation;
- 31 b. Has an authorization to operate under this chapter or under chapter 15-20.4;

- 1 c. Operates in this state, and is exempt from this chapter under section 15-18.1-02
2 or is exempt from chapter 15-20.4 under section 15-20.4-02;
- 3 d. Does not operate in this state and is:
- 4 (1) Licensed by the appropriate state agency; and
5 (2) An active applicant for accreditation by an accrediting body recognized by
6 the United States secretary of education; or
- 7 e. Has been found by the ~~state board of higher education~~office of higher education
8 or the state board for career and technical education to meet standards of
9 academic quality comparable to those of an institution located in the United
10 States that has accreditation recognized by the United States secretary of
11 education to offer degrees of the type and level claimed.

12 **SECTION 37. AMENDMENT.** Section 15-18.1-15 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15-18.1-15. Consumer protection - False academic degrees.**

15 The ~~North Dakota university system~~office of higher education, in collaboration with the state
16 board for career and technical education, shall provide information via internet websites to
17 protect students, businesses, and others from persons that issue, manufacture, or use false
18 academic degrees.

19 **SECTION 38. AMENDMENT.** Subsection 2 of section 15-18.1-16 of the North Dakota
20 Century Code is amended and reenacted as follows:

21 2. As used in this section:

- 22 a. "Accreditation mill" means an accrediting entity that is not recognized by the
23 United States department of education, the ~~state board of higher education~~office
24 of higher education, or the state board for career and technical education.
- 25 b. "Operate" includes to use an address, telephone number, facsimile number, or
26 other contact point located in North Dakota.

27 **SECTION 39. AMENDMENT.** Section 15-18.2-01 of the North Dakota Century Code is
28 amended and reenacted as follows:

1 **15-18.2-01. Credit-hours - Determination.**

2 1. For each institution under its control, ~~the state board of a~~ higher education governing
3 board shall determine the number of credit-hours completed by students during the
4 two-year period ending June thirtieth of each odd-numbered year.

5 2. For purposes of this section, a completed credit-hour is one for which a student met all
6 institutional requirements and obtained a passing grade.

7 **SECTION 40. AMENDMENT.** Section 15-18.2-02 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15-18.2-02. Weighted credit-hours - Determination - Instructional program**

10 **classification factors - Submission to legislative management.**

11 1. ~~In order to~~To determine the weighted credit-hours for each institution under its control,
12 ~~the state board of a~~ higher education governing board shall multiply each of an
13 institution's completed credit-hours, as determined under section 15-18.2-01, by an
14 instructional program classification factor, as set forth in this section.

15 a. The factors for credits completed in agriculture are:

- 16 (1) 1.9 for lower division credits;
17 (2) 3.8 for upper division credits;
18 (3) 5.7 for professional level credits; and
19 (4) 7.6 for graduate level credits.

20 b. The factors for credits completed in architecture are:

- 21 (1) 1.8 for lower division credits;
22 (2) 3.6 for upper division credits;
23 (3) 5.4 for professional level credits; and
24 (4) 7.2 for graduate level credits.

25 c. The factors for credits completed in transportation are:

- 26 (1) 1.9 for lower division credits;
27 (2) 3.8 for upper division credits;
28 (3) 5.7 for professional level credits; and
29 (4) 7.6 for graduate level credits.

30 d. The factors for credits completed in the biological and physical sciences are:

- 31 (1) 1.9 for lower division credits;

- 1 (2) 3.8 for upper division credits;
- 2 (3) 5.7 for professional level credits; and
- 3 (4) 7.6 for graduate level credits.
- 4 e. The factors for credits completed in business are:
- 5 (1) 1.9 for lower division credits;
- 6 (2) 3.8 for upper division credits;
- 7 (3) 5.7 for professional level credits; and
- 8 (4) 7.6 for graduate level credits.
- 9 f. The factors for credits completed in education are:
- 10 (1) 1.9 for lower division credits;
- 11 (2) 3.8 for upper division credits;
- 12 (3) 5.7 for professional level credits; and
- 13 (4) 7.6 for graduate level credits.
- 14 g. The factors for credits completed in engineering are:
- 15 (1) 2.5 for lower division credits;
- 16 (2) 5.0 for upper division credits;
- 17 (3) 7.5 for professional level credits; and
- 18 (4) 10.0 for graduate level credits.
- 19 h. The factors for credits completed in the health sciences are:
- 20 (1) 3.0 for lower division credits;
- 21 (2) 6.0 for upper division credits;
- 22 (3) 9.0 for professional level credits;
- 23 (4) 12.0 for graduate level credits; and
- 24 (5) 38.0 for medical school credits.
- 25 i. The factors for credits completed in legal studies are:
- 26 (1) 3.5 for lower division credits;
- 27 (2) 7.0 for upper division credits;
- 28 (3) 10.5 for professional level credits; and
- 29 (4) 14.0 for graduate level credits.
- 30 j. The factors for credits completed in the core disciplines are:
- 31 (1) 1.0 for lower division credits;

- 1 (2) 2.0 for upper division credits;
- 2 (3) 3.0 for professional level credits; and
- 3 (4) 4.0 for graduate level credits.
- 4 k. The factor for credits completed in career and technical education is 2.0.
- 5 l. The factor for completed basic skills credits is 2.3.
- 6 2. a. ~~The state board of~~A higher education governing board shall ensure that all
7 delineations in this section reflect the requirements of a nationally recognized and
8 standardized instructional program classification system.
- 9 b. Before adopting any changes to the delineations implemented in accordance with
10 this section, ~~the state board of~~a higher education governing board shall present
11 the proposed changes to and receive the approval of the legislative
12 management.

13 **SECTION 41. AMENDMENT.** Section 15-18.2-03 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **15-18.2-03. Credit completion factor - Determination.**

- 16 1. Except as provided in subsections 2 and 3 of this section, for each institution under its
17 control, ~~the state board of~~a higher education governing board shall multiply the
18 product determined under section 15-18.2-02 by a factor of:
 - 19 a. 1.00 if the number of credit-hours is at least 240,000;
 - 20 b. 1.05 if the number of credit-hours is at least 180,000 but less than 240,000;
 - 21 c. 1.10 if the number of credit-hours is at least 120,000 but less than 180,000;
 - 22 d. 1.15 if the number of credit-hours is at least 90,000 but less than 120,000;
 - 23 e. 1.20 if the number of credit-hours is at least 80,000 but less than 90,000;
 - 24 f. 1.30 if the number of credit-hours is at least 70,000 but less than 80,000;
 - 25 g. 1.40 if the number of credit-hours is at least 60,000 but less than 70,000;
 - 26 h. 1.50 if the number of credit-hours is at least 50,000 but less than 60,000;
 - 27 i. 1.60 if the number of credit-hours is at least 40,000 but less than 50,000;
 - 28 j. 1.70 if the number of credit-hours is at least 30,000 but less than 40,000; and
 - 29 k. 1.80 if the number of credit-hours is less than 30,000.
- 30 2. If the square footage of an institution, when divided by the institution's weighted credit-
31 hours results in a quotient greater than 5.00, the ~~state board of~~ higher education

1 governing board for the institution shall multiply the product determined under section
2 15-18.2-02 by a factor of 1.00. For purposes of this subsection, the square footage of
3 an institution includes real property as determined by the ~~state board of higher~~
4 education governing board in accordance with section 15-18.2-04.

5 3. If the number of credit-hours completed by an institution causes a decrease in the
6 credit completion factor for that institution, the new credit completion factor shall not be
7 in effect for calculation purposes for the first two fiscal years following the change.

8 4. For purposes of this section, the number of credit-hours must be those determined by
9 the ~~state board of higher education~~ governing board for the institution in accordance
10 with section 15-18.2-01.

11 **SECTION 42. AMENDMENT.** Subsection 1 of section 15-18.2-04 of the North Dakota
12 Century Code is amended and reenacted as follows:

13 1. For each institution under its control, ~~the state board of a~~ higher education governing
14 board shall multiply the product determined under section 15-18.2-03 by a size factor
15 of:

16 a. 1.0 if the square footage of the institution, when divided by the institution's
17 weighted credit-hours results in a quotient of less than 5.00; or

18 b. 1.7 if the square footage of the institution, when divided by the institution's
19 weighted credit-hours results in a quotient of 5.00 or more.

20 **SECTION 43. AMENDMENT.** Section 15-18.2-05 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15-18.2-05. Base funding - Determination of state aid.**

23 1. Except as provided under subsection 2, in order to determine the state aid payment to
24 which each institution under its control is entitled, ~~the state board of a~~ higher education
25 governing board shall multiply the product determined under section 15-18.2-04 by a
26 base amount of:

27 a. \$58.65 in the case of North Dakota state university and the university of North
28 Dakota;

29 b. \$86.95 in the case of Dickinson state university, Mayville state university, Minot
30 state university, and Valley City state university; and

1 c. \$93.03 in the case of Bismarck state college, Dakota college at Bottineau, Lake
2 Region state college, North Dakota state college of science, and Williston state
3 college.

4 2. An institution is entitled to an amount equal to seventy-five percent of the product
5 determined under subsection 1 for credits completed by students receiving a tuition
6 waiver pursuant to section 54-12-35.

7 **SECTION 44. AMENDMENT.** Section 15-20.1-02 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15-20.1-02. State board for career and technical education - Director of career and**
10 **technical education - Appointment, qualifications, assistants, duties.**

11 The state board for career and technical education consists of the members of the state
12 board of public school education, the executive director of job service North Dakota, and the
13 ~~commissioner of higher education~~ administrator or the ~~commissioner's~~administrator's designee.
14 The state board shall oversee the department and appoint a director and executive officer of
15 career and technical education who are charged with the administration, under the direction and
16 supervision of the board, of the provisions of this chapter relating to career and technical
17 education. The state board shall designate such assistants to the director as may be necessary
18 to carry out the provisions of this chapter. The duties, terms of office, and compensation of the
19 director and of the director's assistants must be determined by the state board. The director
20 shall hold as a minimum a baccalaureate degree received from a recognized college or
21 university. The director shall enforce ~~such~~the rules and regulations as the state board ~~may~~
22 ~~adopt~~adopts and shall prepare ~~such~~ reports concerning career and technical education as the
23 state board ~~may require~~requires.

24 **SECTION 45. AMENDMENT.** Subdivision d of subsection 12 of section 15-39.1-04 of the
25 North Dakota Century Code is amended and reenacted as follows:

26 d. Employees of institutions under the control ~~and administration of the state board~~
27 of a higher education governing board who are members of the fund on July 16,
28 1989.

29 **SECTION 46. AMENDMENT.** Section 15-39.1-25 of the North Dakota Century Code is
30 amended and reenacted as follows:

31 **15-39.1-25. Certain rights and obligations fixed.**

1 Except as otherwise provided in chapter 15-39.2, the laws pertaining to the teachers' fund
2 for retirement, as contained in chapter 15-39.1, apply to teachers, superintendents, assistant
3 superintendents, principals, assistant principals, special teachers, supervisors of instruction and
4 other supervisors, presidents, deans, school librarians, and registrars employed by any state
5 institution under the ~~supervision and control of the state board of a~~ higher education governing
6 board and the ~~commissioner's office~~ of higher education, only in the form and substance as
7 chapter 15-39 existed as of July 1, 1967, and all such persons have only ~~such~~the rights,
8 benefits, and privileges as provided in chapter 15-39 as it existed on July 1, 1967. ~~Such~~The
9 persons are responsible or liable for only those costs or assessments provided for in chapter
10 15-39 as such laws and chapter existed on July 1, 1967. ~~The state board of a~~ higher education
11 governing board or any institution under the ~~supervision or control of the state board of a~~ higher
12 education governing board is not liable for any costs, assessments, or payments under the
13 provisions of chapter 15-39 in excess of that provided or required under the provisions of
14 chapter 15-39 as ~~such~~the laws and chapter existed on July 1, 1967. It is hereby ~~declared to be~~
15 the intent of the legislative assembly to freeze the rights, benefits, privileges, assessments,
16 payments, and obligations of the persons, offices, and institutions specified in this section to
17 those rights, benefits, privileges, assessments, payments, and obligations as they existed under
18 the provisions of chapter 15-39 as ~~such~~the laws and chapter existed in form and substance as
19 of July 1, 1967, and that all legislative enactments subsequent to ~~such~~that date do not affect or
20 apply to those persons, offices, and institutions specified in this section or their rights, benefits,
21 privileges, assessments, payments, and obligations as fixed by this section.

22 **SECTION 47. AMENDMENT.** Section 15-39.2-01 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15-39.2-01. Retired teachers - Election of coverage - Eligibility - Limitation.**

25 Notwithstanding the provisions of chapter 15-39.1, any person who retired from teaching
26 under the teachers' insurance and retirement fund prior to July 1, 1971, who had ten or more
27 years of teaching credit under that program is entitled to elect to qualify for benefits under the
28 teachers' fund for retirement by complying with the provisions of this chapter. A college teacher
29 who retired from teaching after July 1, 1971, ~~may~~, notwithstanding the provisions of section
30 15-39.1-25, may elect to receive benefits in accordance with chapter 15-39.1 and section
31 15-39.2-05. The amount of monthly benefits to which an annuitant electing to come under the

1 1971 law is entitled until death is equal to one and one-half percent of the monthly salary of the
2 annuitant for the last school year for each year of service of that annuitant. Monthly salary within
3 the meaning of this provision is deemed to be an amount equal to one-twelfth of the annual
4 salary of the teacher. If for any reason the earnings of the teacher for the last year of teaching
5 are shown to have been nonrepresentative of the teacher's typical earnings, the board shall
6 readjust the credit to be allowed for past years of service to the last year of typical earnings. As
7 used in this section, "college teacher" means a retired teacher who is entitled to receive an
8 annuity through the teachers' insurance and annuity association of America - college retirement
9 equities fund (TIAA-CREF) as a result of having participated in the North Dakota ~~state-~~
10 ~~board~~office of higher education TIAA-CREF retirement plan for North Dakota state institutions of
11 higher education.

12 **SECTION 48. AMENDMENT.** Section 15-39.2-01.1 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15-39.2-01.1. Retired teachers - Minimum benefits.**

15 Any teacher who was sixty-five years of age at retirement and who is eligible to receive or
16 who is receiving benefits under former chapter 15-39 may receive benefits which are not less
17 than:

- 18 1. ~~Six~~ six dollars per month per year of teaching to twenty-five years-
- 19 2. ~~Seven~~ or seven dollars and fifty cents per month per year of teaching over twenty-five
20 years.

21 Teachers, superintendents, assistant superintendents, principals, assistant principals,
22 special teachers, supervisors of instruction and other supervisors, presidents, deans, school
23 librarians, and registrars employed by any state institution ~~under the supervision and control of~~
24 ~~the state~~ board of higher education and any person employed in teaching as lay faculty in a
25 nonpublic school are not eligible for the minimum benefits provided by this section. As used in
26 this section, the term "lay faculty" means any person who teaches elementary or high school
27 students in a nonpublic school, and is neither a member of an ecclesiastical order or religious
28 house, nor an ordained member of the clergy.

29 A teacher who retired at any time prior to sixty-five years of age is entitled to benefits not
30 less than the minimum benefits established by this section reduced to the actuarial equivalent of
31 the benefit credits earned to the date of early retirement.

1 **SECTION 49. AMENDMENT.** Section 15-39.2-04.1 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-39.2-04.1. Beneficiaries of deceased college teachers.**

4 If a college teacher who is eligible to make the election provided by this chapter dies prior to
5 receiving an annuity, the college teacher's designated beneficiary may elect to receive a
6 monthly annuity computed according to the provisions of this chapter in a manner which the
7 deceased teacher's annuity would have been computed if the deceased teacher had lived,
8 made ~~such an~~the election, and selected option one as outlined in section 15-39.1-16. The
9 designated beneficiary of a college teacher who exercised the election in section
10 ~~15-10-17~~15-10.5-30 is not eligible for benefits provided in this section.

11 **SECTION 50. AMENDMENT.** Section 15-39.2-05 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **15-39.2-05. Benefits payable - Calculation.**

14 A retired teacher who makes the election authorized under section 15-39.2-01 shall receive
15 from the teachers' fund for retirement a benefit amount equal to the difference between the
16 benefit payable under the single life annuity option to which that teacher would otherwise be
17 entitled under the teachers' fund for retirement and an income offset. The income offset is equal
18 to the single life annuity income, as of the first day of the month coinciding with or next following
19 a teacher's retirement date under the teachers' fund for retirement based on accumulations
20 attributed to employee and employer contributions under the TIAA-CREF retirement plan
21 ~~adopted by the state board of higher education~~ for North Dakota institutions of higher education
22 and assuming that all ~~such~~the contributions were paid to TIAA.

23 A retired teacher who made the election authorized under section 15-39.2-01 prior to May 1,
24 1979, shall have a TIAA-CREF income offset which will be fixed at the value of the May 1, 1979,
25 TIAA-CREF income offset as calculated in accordance with this section prior to its being
26 amended.

27 No payment may be made from the teachers' fund for retirement to a retired teacher
28 affected by this section unless the board of trustees of the teachers' fund for retirement, or its
29 agent, has received notice of the amount of the teacher's income offset from TIAA-CREF.

30 **SECTION 51. AMENDMENT.** Section 15-52-02 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **15-52-02. Control and operation.**

2 The control and operation of the university of North Dakota school of medicine and health
3 sciences is the duty and responsibility of the administrative authorities of the university of North
4 Dakota and its medical school under the policies of the ~~state board of higher education~~research
5 university governing board or its successor in authority.

6 **SECTION 52. AMENDMENT.** Subdivision b of subsection 2 of section 15-52-03 of the North
7 Dakota Century Code is amended and reenacted as follows:

8 b. One member selected by each of the following:

- 9 (1) The department of human services;
- 10 (2) The ~~state board of higher education~~research university governing board;
- 11 (3) The state department of health;
- 12 (4) The North Dakota medical association;
- 13 (5) The North Dakota hospital association;
- 14 (6) The veterans administration hospital in Fargo;
- 15 (7) The North Dakota center for nursing; and
- 16 (8) The university of North Dakota center for rural health; and

17 **SECTION 53. AMENDMENT.** Section 15-52-05 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **15-52-05. Facilities.**

20 The university authorities shall make the facilities of the university of North Dakota school of
21 medicine and health sciences available to all agencies of the state, federal, and local
22 governments engaged in health and welfare activities to the fullest extent possible within the
23 limits of a complete and coordinated program for the use thereof ~~of the facilities~~ on terms
24 commensurate with the cost of services rendered and facilities furnished. The work of the
25 school of medicine and health sciences must be coordinated with the work of the other
26 departments of the university of North Dakota. Means must be provided ~~whereby~~for regularly
27 enrolled students in other schools or departments of the university of North Dakota may enroll,
28 upon approval of the dean of ~~such~~ the other school or department, ~~enroll~~ in elective courses in
29 the medical school and receive credit ~~therefor~~for the courses in the school or department in
30 which they are regularly enrolled, subject to ~~such~~any policy and procedures ~~as may be~~
31 ~~established by~~ the university of North Dakota and ~~the state board of higher education~~research

1 ~~university governing board may establish.~~ Medical students may enroll in other departments
2 and schools. ~~Such action must be taken as may serve to~~The university of North Dakota and the
3 research university governing board shall make both the school of medicine and health
4 sciences and the other departments and schools of the university of North Dakota more efficient
5 and responsive to needs of the people through the mutual interchange of facilities, and service,
6 wherever possible.

7 **SECTION 54. AMENDMENT.** Section 15-52-10 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15-52-10. School of medicine and health sciences revolving loan fund.**

10 The school of medicine and health sciences loan fund must be administered as a revolving
11 loan fund by the university of North Dakota under the direction and control of the ~~state board of~~
12 ~~higher education~~research university governing board. As used in this chapter, the word
13 "university" means the university of North Dakota ~~under the direction and control of the state~~
14 ~~board of higher education~~. All moneys transferred into the fund, interest upon moneys in the
15 fund, and payments to the fund of principal and interest on loans made from the fund are
16 appropriated for the purpose of providing loans to qualified applicants.

17 **SECTION 55. AMENDMENT.** Subsection 1 of section 15-52-16 of the North Dakota
18 Century Code is amended and reenacted as follows:

- 19 1. Meets the criteria as a resident for tuition purposes as defined by section
20 ~~15-10-19.1~~15-10.5-37; and

21 **SECTION 56. AMENDMENT.** Section 15-52-25 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **15-52-25. Deposit and payment of funds.**

24 All funds made available to the university pursuant to the provisions of this chapter are to be
25 deposited by it and are to be paid out only upon vouchers signed by the official properly
26 designated by the ~~state board of higher education~~research university governing board.

27 **SECTION 57. AMENDMENT.** Section 15-52-26 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **15-52-26. Availability of funds.**

30 The ~~state board of higher education is hereby directed and authorized to~~research university
31 governing board shall make available to the university, from the portion of the proceeds of the

1 one-mill levy provided by section 10 of article X of the Constitution of North Dakota as the
2 ~~stategoverning board of higher education~~ shall have retained in its possession pursuant to the
3 provisions of section 15-52-09, ~~such~~the funds as ~~may be~~ required for the operation of the
4 school of medicine and health sciences revolving loan fund, but not in excess of one hundred
5 thousand dollars in any one year.

6 **SECTION 58. AMENDMENT.** Section 15-52-28 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-52-28. Biennial report.**

9 The ~~state board of higher education~~research university governing board may submit a
10 biennial report to the governor and the secretary of state in accordance with section 54-06-04.

11 **SECTION 59. AMENDMENT.** Section 15-52-29 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **15-52-29. Training of psychiatric personnel.**

14 The university of North Dakota school of medicine and health sciences, under the policies
15 of the ~~state board of higher education~~research university governing board, shall provide or
16 encourage means for providing for the training of ~~such~~ psychiatrists and other psychiatric
17 personnel as ~~may be~~ necessary to properly staff state institutions and agencies providing
18 services in the field of mental health. The school of medicine and health sciences may execute
19 contracts with any suitable public or private agency providing ~~such~~the training services and
20 facilities and to pay for ~~such~~the services from funds of the school of medicine and health
21 sciences as provided in section 15-52-09.

22 **SECTION 60. AMENDMENT.** Section 15-52-30 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15-52-30. Contracts or agreements authorized - Legislative intent.**

25 1. The ~~state board of higher education is authorized to~~research university governing
26 board may enter into contracts or agreements, both interstate and intrastate, to
27 provide medical education opportunities. ~~These~~The contracts and agreements must
28 be made within the limits of available legislative appropriation and may be for ~~such~~
29 periods of time as the ~~state board of higher education~~governing board deems
30 necessary.

1 2. It is the intent of the legislative assembly that the state of North Dakota, through its-
2 state ~~board of higher education~~the research university governing board, provide for a
3 comprehensive program of medical education leading to a doctor of medicine degree.

4 **SECTION 61. AMENDMENT.** Section 15-52-31 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15-52-31. Admission of students - Qualifications.**

7 The faculty of the school of medicine and health sciences at the university of North Dakota
8 may adopt, with the advice of the school of medicine and health sciences advisory council and
9 ~~with the approval of the state board of higher education~~research university governing board,
10 and in accordance with applicable accreditation requirements as specified by the liaison
11 committee on medical education, ~~adopt such~~ rules and regulations governing the education and
12 residency qualifications of applicants for admission to the school of medicine and health
13 sciences as it deems necessary and proper to carry out its purpose ~~as provided in~~under section
14 15-52-01.

15 **SECTION 62. AMENDMENT.** Section 15-55-01 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **15-55-01. Portions of campuses set aside for authorized revenue-producing buildings
18 or other revenue-producing campus improvements.**

19 Subject to and in accordance with the terms of this chapter, ~~the state board of each~~ higher
20 education governing board, for and on behalf of the institutions under its supervision and
21 control, ~~from time to time~~, may set aside ~~such~~ portions of the respective campuses of saidthe
22 institutions as may be necessary and suitable for the construction ~~thereon~~ of ~~such~~-
23 revenue-producing buildings or other revenue-producing campus improvements as, ~~from time to~~
24 ~~time~~, may be authorized by the legislative assembly, ~~and~~ including additions to existing
25 buildings or other campus improvements used for ~~such~~revenue-producing purposes, ~~and~~. Each
26 governing board also may construct ~~such~~ campus improvements and buildings or additions
27 ~~thereon~~on the portions of the campus set aside, and may equip, furnish, maintain, and operate
28 ~~such~~the buildings and other campus improvements.

29 **SECTION 63. AMENDMENT.** Section 15-55-02 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **15-55-02. ~~Board~~Governing boards may borrow money and issue bonds - Conditions -**
2 **Bonds tax free.**

3 ~~For the purpose of paying~~To pay all or part of, ~~but not to exceed~~, the cost of construction,
4 equipment, and furnishing of any ~~such~~ buildings or any addition to existing buildings, or other
5 campus improvements under this chapter, or ~~in order to refund any outstanding bonds or interim~~
6 financing issued for ~~such~~that purpose, ~~the state board of a~~ higher education governing board
7 may borrow money on the credit of the income and revenue to be derived from the operation of
8 the ~~said~~ building or buildings or other campus improvements, and, in anticipation of ~~such~~-
9 collections of ~~such~~the income and revenues, may issue negotiable bonds in ~~such~~ an amount
10 ~~as that~~, in the opinion of the board, may be necessary for ~~such~~those purposes, all within the
11 limits of the authority granted by the legislative assembly ~~in each instance~~, and may provide for
12 the payment of ~~such~~the bonds and the rights of the bond holders thereof as provided in this
13 chapter. The bonds may bear ~~such~~ the date ~~or dates~~; mature at ~~such~~the time ~~or times~~ not
14 exceeding fifty years from their date; be in ~~such~~the denomination ~~or denominations~~; be in
15 ~~such~~the form, either coupon or registered; carry ~~such~~the registration and conversion privileges;
16 be executed in ~~such~~the manner; be payable in ~~such~~the medium of payment at ~~such~~the place ~~or~~
17 ~~places~~; be subject to ~~such~~the terms of redemption with or without premium; bear ~~such~~the rate ~~or~~
18 ~~rates~~ of interest; and be subject to ~~such~~the other terms or conditions ~~as may be provided by~~
19 resolution ~~or resolutions to be adopted by the~~ governing board. The bonds may be sold in
20 ~~such~~the manner and at ~~such~~the price ~~or prices as may be considered by the~~ governing board to
21 be advisable. The average net interest cost to maturity for any bond issues sold at private sale
22 may not exceed twelve percent per annum. There is no interest rate ceiling on ~~these~~the issues
23 sold at public sale or to the state of North Dakota or any of its agencies or instrumentalities. Any
24 grants agreed to be made by the United States of America or any agency or instrumentality
25 ~~thereof of the United States~~ to reduce the interest cost of bonds, whether or not pledged to the
26 payment of the bonds or interest ~~thereon~~on the bonds as part of the income and revenue to be
27 derived from the operation of the buildings or improvements pledged to the payment of the
28 issue, must be considered as a reduction in the interest costs of the bonds with respect to which
29 the grant is made, for purposes of the rate limitations on interest costs provided ~~herein~~in this
30 section. The bonds have all of the qualities and incidents of negotiable paper and are not
31 subject to taxation by the state of North Dakota, or by any county, municipality, or political

1 subdivision therein. The governing board, in its discretion, may authorize one issue of bonds
2 hereunder for the construction, furnishing, and equipment of more than one building or other
3 campus improvement and may make the bonds payable from the combined revenues of all
4 buildings or other campus improvements acquired in whole or in part with the proceeds thereof,
5 and when bonds are so issued, the words "the building", as herein used in this section, refers to
6 all the buildings or other campus improvements so acquired.

7 **SECTION 64. AMENDMENT.** Section 15-55-03 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15-55-03. Bonds are special obligations and the governing board may insert special**
10 **provisions in bonds.**

11 1. The bonds issued under ~~the provisions of~~ this chapter may not be an indebtedness of
12 the state of North Dakota ~~nor of~~ the institution for which ~~they~~the bonds are issued ~~nor~~
13 ~~of~~ the state board of higher education thereof governing board of the institution, ~~nor~~
14 ~~of~~ or the individual members, officers, or agents thereof ~~nor may any of the institution~~.
15 A building or other campus improvement or the land upon which it is situated, or any
16 part thereof of the building, improvement, or land may not be security for ~~or be~~ levied
17 upon, or sold for the payment of ~~said~~the bonds, but the ~~said~~ bonds must be special
18 obligations payable solely from the revenues to be derived from the operation of the
19 building or other campus improvement, and the governing board is authorized and
20 ~~directed to~~may pledge all or any part of ~~such~~the revenues to the payment of principal
21 and interest on the bonds. In order to secure the prompt payment of ~~such~~the principal
22 and interest and the proper application of the revenues pledged thereto, the governing
23 ~~board is authorized~~may by appropriate provisions in the resolution ~~or resolutions~~
24 authorizing the bonds:

- 25 1. a. ~~To covenant~~Covenant as to the use and disposition of the proceeds of the sale of
26 ~~such~~the bonds;
- 27 2. b. ~~To covenant~~Covenant as to the operation of the building or other campus
28 improvement and the collection and disposition of the revenues derived from
29 ~~such~~the operation;

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- 1 3. ~~c.~~ Covenant as to the rights, liabilities, powers, and duties arising from
2 the breach of any covenant or agreement into which it may enter in authorizing
3 and issuing the bonds;
- 4 4. ~~d.~~ Covenant and agree to carry ~~such~~ insurance on the building or other
5 campus improvement; and the use and occupancy ~~thereof~~ of the building or
6 improvement as ~~may be~~ considered desirable and, in ~~its~~ the discretion of the
7 governing board, ~~to provide that the cost of such~~ the insurance shall be
8 considered as part of the expense of operating the building or other campus
9 improvement;
- 10 5. ~~e.~~ Vest in a trustee ~~or trustees~~ for the bondholders the right to receive all or
11 any part of the income and revenues pledged and assigned to or for the benefit
12 of the ~~holder or~~ holders of bonds issued ~~hereunder~~ under this chapter and to hold,
13 apply, and dispose of the same, and the right to enforce any covenant made to
14 secure the bonds and to execute and deliver a trust agreement ~~or agreements~~
15 ~~which may set~~ setting forth the powers ~~and~~ duties, and the remedies available to
16 ~~such~~ the trustee ~~or trustees~~ and may limit the liabilities ~~thereof~~ of the trustee and
17 prescribe the terms and conditions upon which ~~such~~ the trustee ~~or trustees~~ or the
18 holder ~~or holders~~ of the bonds in any specified amount or percentage may
19 exercise ~~such~~ rights ~~and~~ enforce any or all such covenants, and resort to ~~such~~
20 remedies as may be appropriate;
- 21 6. ~~f.~~ Fix rents, charges, and fees to be imposed in connection with and for the
22 use of the building or other campus improvement and the facilities supplied
23 ~~thereby, which rents, charges, and fees shall~~ must be considered ~~to be~~ income
24 and revenues derived from the operation of the building or campus improvement,
25 ~~and are hereby expressly required to~~ must be fully sufficient to assure the prompt
26 payment of principal and interest on the bonds as each becomes due, and to
27 make and enforce ~~such~~ rules and regulations with reference to the use of the
28 building or campus improvement, and with reference to requiring any class ~~or~~
29 ~~classes~~ of students to use the buildings or other campus improvements as it may
30 deem desirable for the welfare of the ~~institutions~~ institution and its students or ~~for~~
31 ~~the accomplishments of the purposes~~ to satisfy the requirements of this chapter;

- 1 7. ~~g.~~ Covenant to maintain a maximum percentage of occupancy of the
2 building or other campus improvement;
- 3 8. ~~h.~~ Covenant against the issuance of any other obligations payable from
4 the revenues to be derived from the building or other campus improvement; and
- 5 9. ~~i.~~ Make covenants other than and in addition to those herein expressly
6 mentioned of such character under this chapter as may be considered necessary
7 or advisable to affect the purposes of this chapter.

8 2. All ~~such~~ agreements and covenants entered into by the governing board under this
9 chapter are enforceable by appropriate action or suit at law or in equity, which may be
10 brought by any holder ~~or holders~~ of bonds issued hereunder under this chapter.

11 **SECTION 65. AMENDMENT.** Section 15-55-04.1 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **15-55-04.1. Lease of revenue-producing buildings.**

14 ~~The state board of~~ A higher education governing board may, ~~at such times as it deems~~
15 ~~necessary,~~ enter into agreements with other persons, ~~including any federal or state agency,~~ for
16 the lease of revenue-producing buildings, constructed or purchased under ~~the provisions of this~~
17 chapter, upon ~~such~~ terms and conditions as the board deems proper. However, any ~~such~~ lease
18 entered into ~~pursuant to~~ under this section must be limited to a maximum term of ten years.

19 **SECTION 66. AMENDMENT.** Section 15-55-05.1 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **15-55-05.1. Interim financing.**

22 1. ~~The~~ A higher education governing board may provide for interim financing pending
23 completion of a revenue-producing projects project at a state institutions institution of
24 higher learning education and for financing the cost thereof and of the project. A higher
25 education governing board may authorize the issuance and sale of special interim
26 warrants for that essential governmental purpose, ~~such~~ provided the warrants to be are
27 paid with interest from:

- 28 4. a. The proceeds of definitive bonds issued in accordance with this chapter;
- 29 2. b. Warrants issued to refund outstanding warrants; or

1 3. c. The combined net revenues to be derived from the operation of buildings and
2 campus improvements for which bonds are outstanding with which the definitive
3 bonds to be issued for ~~such~~the project will be on a parity.

4 2. The higher education governing board shall arrange for the proper preparation and
5 sale of the warrants and shall issue the warrants in an aggregate principal amount not
6 exceeding the sum of bonds authorized and necessary to finance completion of the
7 project. Interim warrants are subject to call and prepayment on thirty days' prior written
8 notice to the place of payment at par and accrued interest to date of prepayment at
9 the option of the governing board; must mature not more than three years from their
10 date; and may bear ~~such~~a rate or rates of interest as the board may provide, not
11 exceeding an average net interest cost of twelve percent per annum on issues sold at
12 private sale. There is no interest rate ceiling on warrant issues sold at public sale or to
13 the state of North Dakota or any of its agencies or instrumentalities. Interim warrants
14 may be sold on the basis of ninety-five percent of par plus accrued interest to date of
15 delivery. All warrants for a particular project must mature within three years from the
16 date of issuing the first warrants for the project. If warrants are issued to refund
17 warrants, the refunded warrants must be paid and canceled upon the issuance of the
18 refunding warrants, or the proceeds at the sale of the refunding warrants, excepting
19 the accrued interest received, must be used to purchase direct obligations of the
20 United States of America. ~~Such~~The obligations must mature at ~~such~~the time ~~or times~~,
21 with interest ~~thereon~~ or the proceeds received ~~therefrom~~from the obligations, to
22 provide funds adequate to pay, when due or called for redemption prior to maturity, the
23 warrants to be refunded together with the interest accrued ~~thereon~~ and any
24 redemption premium due ~~thereon~~ on the obligations. ~~Such~~The proceeds or obligations
25 of the United States of America ~~must~~, with all other funds legally available for ~~such~~the
26 purpose, must be deposited in escrow with a banking corporation or national banking
27 association located in and doing business in the state of North Dakota, with power to
28 accept and execute trusts, or any successor ~~thereto~~, which is also a member of the
29 federal deposit insurance corporation and of the federal reserve system. The proceeds
30 or obligations are to be held in an irrevocable trust solely for and until the payment and
31 redemption of the warrant to be refunded. Any balance remaining in escrow after the

1 payment and retirement of the warrants to be refunded must be returned to the
2 governing board to be used and held for use as revenues pledged for the payment of
3 the definitive bonds. Interim warrants have all of the qualities and incidents of
4 negotiable paper and are not subject to taxation by the state of North Dakota or by any
5 county, municipality, or political subdivision ~~therein~~. Interim warrants are eligible for
6 investment of funds the same as definitive bonds are or would be eligible for
7 investment under section 15-55-08.

8 ~~3. Such~~The warrants may not constitute a general obligation indebtedness of the state of
9 North Dakota ~~nor of~~; the institution for which ~~they~~the warrants are issued ~~nor of the~~
10 ~~state board of~~; a higher education ~~nor of~~governing board; or the individual members,
11 officers, or agents thereof; of the governing board. The warrants are, and must state
12 the warrants are, payable solely as provided in this section; ~~and the warrants issued~~
13 ~~and sold must so state.~~

14 **SECTION 67. AMENDMENT.** Section 15-55-06 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15-55-06. Designations of agent and depositories - Disposition and use of revenues -**
17 **Funds created.**

18 All income and revenues derived from the operation of any building or other campus
19 improvement financed or the revenues of which are pledged in the manner provided in this
20 chapter must be collected by ~~such an~~ officer or agent of the institution where the building or
21 other campus improvement is located as the ~~state board of~~ higher education ~~from time to time~~
22 ~~may designate~~governing board designates, and must be accounted for by ~~such~~the officer or
23 agent, deposited, and remitted as provided in this section ~~provided~~. The ~~said~~governing board, in
24 its resolution authorizing the bonds or in the trust agreement ~~or agreements~~ executed and
25 delivered by the governing board, shall provide for the disposition of and accounting for all ~~such~~
26 revenues under this section by ~~such~~the officer or agent, including the designation of a
27 depository ~~or depositories~~, the payment of expenses of operation and maintenance, the
28 remittance of revenues to the paying agent designated in the bonds for payment of principal of
29 and interest on the bonds when due, and the investment and disposition of revenues not
30 immediately required for payment of expenses, principal, and interest. The governing board
31 may designate as a depository for ~~such~~the revenues and funds ~~either the state treasury or~~, the

1 Bank of North Dakota ~~or~~, the trustee under the trust agreement for the bondholders ~~or~~, a bank
2 ~~which~~that is a duly designated depository for state funds, or as provided in section 15-55-05.
3 The ~~said~~governing board may provide, in its resolution authorizing the bonds or in the trust
4 agreement ~~or agreements~~ executed and delivered by the governing board, ~~provide~~ for an
5 expense fund to be retained by the collecting officer ~~for the purpose of paying to pay~~, and may
6 direct the collecting officer to pay, the accrued or anticipated expenses of operation and
7 maintenance of the building or campus improvement, and if the board ~~so~~ directs or if ~~such~~the
8 expense fund is ~~so~~ provided, the collecting officer may pay ~~such~~the expenses as ~~so~~ directed by
9 the board or from ~~said~~the fund. The funds required to be remitted to the state treasurer, ~~if any,~~
10 and any funds derived from revenues pledged to the bondholders must be held by the collecting
11 officer or in the depository for ~~such~~the funds designated by the governing board in a special
12 fund ~~or funds~~, to be applied solely to the payment of the principal and interest on ~~said~~the bonds,
13 and the establishment of a reserve for future payments until all ~~of said~~the bonds and interest
14 ~~thereon~~on the bonds have been fully paid; provided, ~~that~~ to the extent not prohibited or
15 restricted by any covenant made with or for the benefit of the bondholders, the board may
16 invest any ~~such~~of the funds in direct obligations of, or obligations the principal of and interest on
17 ~~which~~ are guaranteed by, the United States of America, or obligations of the state of North
18 Dakota or of any municipality as defined in section 21-03-01, and may devote revenues not
19 currently required for payment of principal and interest, for the creation or maintenance of a
20 debt service reserve, or for expenses of operation and maintenance to ~~such~~ purposes as the
21 board ~~from time to time~~ may designate, including replacing the furnishings and equipment of
22 ~~such~~the building ~~or buildings~~ or campus improvements and improving ~~said~~the building ~~or~~
23 ~~buildings~~ or campus improvements.

24 **SECTION 68. AMENDMENT.** Section 15-55-07 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **15-55-07. Endorsement of bonds - Attorney general to approve - Incontestable -**
27 **Exception.**

28 All bonds issued under ~~the provisions of~~ this chapter must have endorsed ~~thereon~~on the
29 bonds a statement to the effect ~~that the same~~the bonds do not constitute an obligation of the
30 state of North Dakota, ~~the state board of~~, the higher education, ~~nor governing board~~; the
31 individual members, officers, or agents ~~thereof, nor of,~~or the institution upon the campus of

1 which the building or campus improvement is located, and that the said bonds are payable
2 solely and only out of the revenues to be produced and received from the operation of said ~~the~~
3 building or campus improvement. ~~Such~~The bonds must be submitted to the attorney general of
4 ~~North Dakota~~ for examination, and when ~~such~~the bonds have been examined and certified as
5 legal obligations by the attorney general in accordance with ~~such~~ requirements as the attorney
6 general may make, are incontestable in any court in this state unless suit ~~thereon~~on the bonds
7 is brought in a court having jurisdiction ~~thereof~~over the matter within thirty days from the date of
8 ~~such~~the approval. Bonds so approved by the attorney general are prima facie valid and binding
9 obligations according to their terms, and the only defense which may be offered ~~thereto~~ in any
10 suit instituted after ~~such~~the thirty-day period has expired is forgery, fraud, or violation of the
11 constitution.

12 **SECTION 69. AMENDMENT.** Section 15-55-09 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15-55-09. Construction of chapter not to permit obligating of state.**

15 ~~Nothing in this~~This chapter may not be construed to authorize or permit ~~the state board of a~~
16 higher education governing board, or any officer or agency of the state, to create any state
17 debts; or ~~to~~ incur any obligations ~~of any kind or nature~~, except as are payable solely and only
18 from the special funds to be created from the revenues of the building ~~or buildings~~ or other
19 campus improvements erected or constructed under ~~the terms and provisions of this chapter;~~
20 ~~nor may the~~. The state of North Dakota ~~or~~and any funds ~~or moneys~~ of this state other than the
21 special funds derived from the income of ~~said~~the building ~~or buildings~~ or campus improvements
22 respectively ~~ever~~may not be deemed obligated for the payment of the ~~said~~ bonds or any part
23 thereof ~~of the bonds~~.

24 **SECTION 70. AMENDMENT.** Section 15-55-10 of the North Dakota Century Code is
25 amended and reenacted as follows:

26 **15-55-10. Limitation on buildings and other campus improvements and issuance of**
27 **bonds.**

28 ~~No~~A building or other campus improvement may not be erected or constructed under this
29 chapter, and ~~no~~ bonds may not be issued for the payment of the cost of any building or other
30 campus improvement under this chapter, unless authorized by legislative act, ~~nor may any~~. A
31 building or other campus improvement may not be erected at a cost exceeding the amount fixed

1 by the legislative assembly as the maximum to be expended for the building or other campus
2 improvement undertaken under this chapter. The legislative authorization may be aggregated,
3 and the appropriation of the proceeds of the bonds for the construction of the buildings or
4 improvements are not subject to cancellation under section 54-44.1-11. Authorization for the
5 issuance of bonds by the legislative assembly expires four years after the effective date of the
6 authorization unless bonds have been issued for the construction of buildings or improvements
7 in the amounts ~~so~~ authorized or a contract for the design of the building has been signed by the
8 ~~state board of a~~ higher education governing board before the expiration date or the
9 authorization specifies a different expiration date. Refunding bonds may be issued by ~~the state~~
10 ~~board of a~~ higher education governing board under this chapter without legislative act to refund,
11 at or before the maturity of or pursuant to any privilege of prepayment reserved in or granted
12 with respect to, any bonds issued to pay the cost of buildings or other campus improvements
13 designated and authorized by legislative act.

14 **SECTION 71. AMENDMENT.** Section 15-55-14 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15-55-14. Rental income from unencumbered revenue-producing buildings or other**
17 **campus improvements may be applied to bond retirement.**

18 ~~The state board of higher education, when issuing bonds under the provisions of this~~
19 ~~chapter and the powers herein granted, has additional powers as follows:~~

20 1. When the ~~state board of higher education~~governing board has issued bonds as
21 provided in this chapter ~~for the purpose of securing~~to secure funds for all or part of the
22 cost of construction, equipment, and furnishing of any new revenue-producing building
23 or other campus improvement for any ~~of the state-supported institutions~~institution of
24 higher learning ~~of the state of North Dakota~~education under its control, or for the
25 purpose of refunding any such bonds, ~~said~~the governing board is hereby authorized
26 ~~to~~may cover, ~~from time to time~~, into the interest and principal payment fund for bonds
27 issued, or into a fund for operation and maintenance of the building or other campus
28 improvement so financed or into a fund for repair or replacement of the building or
29 other campus improvement, its equipment and furnishings, the rental or income from
30 revenue-producing buildings or other campus improvements ~~which~~that are not

1 encumbered or impressed with any lien and which are located upon the campuses of
2 such institutions on the campus of the institution.

3 2. ~~In case of destruction of such~~ If a revenue-producing buildings or campus-
4 improvements building or campus improvement is destroyed by fire, tornado, cyclone,
5 or other cause, the proceeds from insurance on ~~such revenue-producing buildings or~~
6 ~~campus improvements shall~~ the building or campus improvement must be covered into
7 the bond payment fund for the payment of bonds issued under this chapter unless
8 ~~such~~ the insurance may be and is used for the repair or replacement of the building or
9 campus improvement, its equipment and furnishings.

10 3. The rental income from ~~said~~ revenue-producing buildings or other revenue-producing
11 campus improvements, and the proceeds of insurance ~~thereon~~ on them, may be
12 irrepealably pledged to the payment of the principal and interest of the bonds issued
13 ~~as in~~ under this chapter ~~provided~~, or to the expenses of operation and maintenance or
14 repair or replacement of the building or campus improvement, its equipment and
15 furnishings.

16 4. The bonds issued under ~~the provisions of~~ this chapter may not be an indebtedness or
17 obligation of the state of North Dakota ~~or of~~; any of the state institutions ~~nor of~~; or any
18 board, bureau, or officer of the state of North Dakota, but ~~such~~ the bonds must be
19 payable solely out of income and revenue as provided in this chapter.

20 5. The rental income from the revenue-producing buildings or other revenue-producing
21 campus improvements, ~~as defined herein~~, of any educational institutions of higher-
22 learning ~~of the state shall~~ state institution of higher education must be covered only into
23 a fund for a revenue-producing building or other revenue-producing campus
24 improvement for ~~such educational~~ the institution and not to any other institution.

25 **SECTION 72. AMENDMENT.** Section 15-55-20 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **15-55-20. Financial records required.**

28 Each state institution ~~under the control of the state board~~ of higher education which has
29 constructed student housing, a food service facility, or a student union ~~under the provisions of~~
30 this chapter shall maintain records of financial accounts to provide a record of revenues
31 received and expenses incurred in the use of ~~such~~ the revenue-producing building. The

1 definition of "expenses incurred" includes, ~~but is not limited to,~~ the estimated value of heat,
2 electricity, water, repairs, insurances, and janitorial and maintenance services provided. From
3 the information recorded in such ~~the~~ records, appropriate financial statements must be prepared
4 and included in the ~~institutions'~~ institution's published and audited annual or biennial financial
5 reports.

6 **SECTION 73. AMENDMENT.** Section 15-62.4-01 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-62.4-01. Student financial assistance program.**

9 The ~~state board~~ office of higher education shall administer the North Dakota student
10 financial assistance program ~~for the purpose of providing to provide~~ a grant to an individual who
11 demonstrates significant financial need and who:

- 12 1. a. Graduated from a high school in this state;
- 13 b. Graduated from a high school in a bordering state, pursuant to chapter 15.1-29;
- 14 c. Graduated from a nonpublic high school in a bordering state while residing with a
15 custodial parent in this state;
- 16 d. Completed a program of home education supervised in accordance with chapter
17 15.1-23; or
- 18 e. Received a general educational development high school diploma from the
19 superintendent of public instruction;
- 20 2. a. Is enrolled at an accredited institution of higher education in this state, provided
21 the institution offers a program of instruction equal to at least two academic
22 years; or
- 23 b. Because of a medically certifiable disability is enrolled at an accredited institution
24 of higher education outside of this state which offers the individual special
25 services or facilities not available in this state, provided the institution offers a
26 program of instruction equal to at least two academic years; and
- 27 3. Is pursuing a course of study determined by the ~~state board~~ office of higher education
28 to be at least quarter-time.

29 **SECTION 74. AMENDMENT.** Section 15-62.4-02 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **15-62.4-02. Student financial assistance program - Criteria and procedures.**

2 The ~~state board~~office of higher education shall adopt:

- 3 1. Criteria governing the application process;
- 4 2. Criteria governing the determination of financial need, which must include
- 5 consideration of parental contributions to educational expenses;
- 6 3. Criteria governing the selection process; and
- 7 4. Procedures for providing fiscal control, fund accounting, and reports.

8 **SECTION 75. AMENDMENT.** Section 15-62.4-03 of the North Dakota Century Code is

9 amended and reenacted as follows:

10 **15-62.4-03. Student financial assistance program - Grants.**

- 11 1. The ~~state board~~office of higher education shall provide to each eligible student a
- 12 financial assistance grant in an amount not exceeding:
- 13 a. Nine hundred seventy-five dollars per semester; or
- 14 b. Six hundred fifty dollars per quarter.
- 15 2. a. A student is not entitled to receive grants under this chapter for more than the
- 16 equivalent of:
- 17 (1) Eight semesters of full-time enrollment; or
- 18 (2) Twelve quarters of full-time enrollment.
- 19 b. Notwithstanding subdivision a, a student is not entitled to receive a grant under
- 20 this chapter after the student obtains a baccalaureate degree.
- 21 3. The ~~board~~office shall forward grants payable under this chapter directly to the
- 22 institution of higher education in which the student is enrolled.

23 **SECTION 76. AMENDMENT.** Section 15-62.4-05 of the North Dakota Century Code is

24 amended and reenacted as follows:

25 **15-62.4-05. Student financial assistance program - Gifts and grants - Acceptance.**

26 The ~~state board~~office of higher education may receive, administer, and expend moneys

27 from public and private sources for the purposes of this chapter.

28 **SECTION 77. AMENDMENT.** Section 15-62.5-01 of the North Dakota Century Code is

29 amended and reenacted as follows:

1 **15-62.5-01. Scholars program.**

2 The ~~state board~~office of higher education shall administer the scholars program for the
3 purpose of providing a merit-based scholarship to an individual who:

- 4 1. a. Graduated from a high school in this state;
- 5 b. Graduated from a high school in a bordering state, pursuant to chapter 15.1-29;
- 6 c. Graduated from a nonpublic high school in a bordering state while residing with a
7 custodial parent in this state; or
- 8 d. Completed a program of home education supervised in accordance with chapter
9 15.1-23;
- 10 2. On the ACT, achieved composite scores that ranked the individual at or above the
11 ninety-fifth percentile among those who took the ACT prior to July first in the calendar
12 year preceding the individual's enrollment;
- 13 3. a. Is enrolled at an accredited institution of higher education in this state that offers
14 a program of instruction equal to at least two academic years;
- 15 b. Because of a medically certifiable disability is enrolled at an accredited institution
16 of higher education outside of this state that offers the individual special services
17 or facilities not available in this state, provided the institution offers a program of
18 instruction equal to at least two academic years; and
- 19 4. Is pursuing a course of study determined by the ~~board~~office to be full-time.

20 **SECTION 78. AMENDMENT.** Section 15-62.5-02 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **15-62.5-02. Scholars program - Criteria and procedures.**

23 The ~~state board~~office of higher education shall adopt:

- 24 1. Criteria governing the application process;
- 25 2. Criteria governing the selection process, within the requirements of section
26 15-62.5-03; and
- 27 3. Procedures for providing fiscal control, fund accounting, and reports.

28 **SECTION 79. AMENDMENT.** Section 15-62.5-03 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **15-62.5-03. Scholars program - Ranking and selection of recipients.**

- 2 1. The ~~state board~~office of higher education shall rank scholars program applicants by
3 their ACT composite scores.
- 4 2. If two or more applicants have the same composite scores, they must be ranked by
5 the numeric sum of their four scale scores on the ACT.
- 6 3. If two or more applicants have the same composite scores and the same numeric sum
7 of the four scale scores, they must be ranked by the numeric sum of their English and
8 mathematics scores.
- 9 4. The ~~state board~~office of higher education may establish additional criteria to rank
10 applicants who have the same numeric sum of their English and mathematics scores.
- 11 5. Scholarships must be offered to applicants in descending order according to this
12 ranking until available funds have been expended or until the pool of applicants has
13 been exhausted.

14 **SECTION 80. AMENDMENT.** Section 15-62.5-04 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15-62.5-04. Scholars program - Scholarship amounts - Stipends.**

- 17 1. a. Each semester, the ~~state board~~office of higher education shall provide to an
18 eligible student a scholarship in an amount not exceeding the tuition charged at
19 the institution in which the student is enrolled, provided the amount may not
20 exceed the highest undergraduate semester tuition charged at ~~ana state~~
21 institution of higher education ~~under the control of the state board of higher-~~
22 education.
- 23 b. Each quarter the ~~state board~~office of higher education shall provide to an eligible
24 student a scholarship in an amount not exceeding the tuition charged per quarter
25 at the institution in which the student is enrolled, provided the amount may not
26 exceed two-thirds of the highest undergraduate semester tuition charged at ~~ana~~
27 state institution of higher education ~~under the control of the state board of higher-~~
28 education.
- 29 c. For purposes of this subsection, the rates are calculated using a traditional fall
30 and spring academic year.

- 1 2. The scholarships provided for under this section are conditioned on the student
- 2 maintaining a 3.5 cumulative grade point average, based on a 4.0 grading system.
- 3 3. Any student eligible for a scholarship under this section is also eligible for a stipend in
- 4 an amount not exceeding two thousand dollars annually. The ~~state board~~office of
- 5 higher education may distribute the stipend on a semester or a quarter basis.
- 6 4. a. A student is not entitled to receive scholarships under this chapter for more than
- 7 the equivalent of:
- 8 (1) Eight semesters of full-time enrollment; or
- 9 (2) Twelve quarters of full-time enrollment.
- 10 b. Notwithstanding subdivision a, a student is not entitled to receive a scholarship
- 11 under this chapter after the student obtains a baccalaureate degree.
- 12 5. The ~~state board~~office of higher education shall forward scholarships and stipends
- 13 payable under this chapter directly to the institution in which the student is enrolled.

14 **SECTION 81. AMENDMENT.** Section 15-63-01 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **15-63-01. State board for Indian scholarships.**

17 ~~There is hereby established a~~A state board for Indian scholarships consisting of an Indian
18 appointed by the governor, the executive director of the state Indian affairs commission, and ~~the~~
19 ~~commissioner of higher education or the commissioner's designee~~the higher education
20 administrator is established. The ~~commissioner of higher education or the commissioner's~~
21 ~~designee~~administrator shall serve as chairperson, and the executive director of the state Indian
22 affairs commission shall serve as secretary of the board for Indian scholarships. The ~~state~~
23 ~~board~~office of higher education shall request scholarship funds and staff to administer the
24 Indian scholarship program in the ~~board's~~office's biennial budget request.

25 **SECTION 82. AMENDMENT.** Section 15-69-01 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **15-69-01. Definitions. (Effective through July 31, 2023)**

28 In this chapter, unless the context otherwise requires:

- 29 1. "~~Board~~" ~~means the state board of~~"Administrator" means the higher education
30 administrator.

- 1 2. "Center" means a center of excellence relating to economic development which has
2 been designated or named under this chapter.
- 3 3. "Commission" means the centers of excellence commission.
- 4 4. "Department" means the department of commerce.
- 5 5. "Foundation" means the North Dakota economic development foundation.
- 6 6. "Infrastructure" means new building construction or major building renovation. The
7 term does not include a purchase of equipment or remodel of an existing building.

8 **SECTION 83. AMENDMENT.** Section 15-69-03 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **15-69-03. Centers of excellence commission. (Effective through July 31, 2023)**

11 The centers of excellence commission consists of six members. The foundation shall
12 appoint three of the foundation's members to serve on the commission, and the
13 ~~board administrator~~ shall appoint three of the ~~board's~~ members of higher education governing
14 boards to serve on the commission. The commission members shall designate a chairman and
15 a vice chairman of the commission. Each member of the commission shall serve for a term of
16 three years, beginning July first; may be reappointed for additional terms; and serves at the
17 pleasure of the appointing entity. If a commission member ceases to serve as a member of the
18 appointing entity, that member's membership on the commission ceases immediately and the
19 appointing entity shall appoint a new member for the remainder of the term. Terms of
20 commission members must be staggered. On a meeting-by-meeting basis, an appointing entity
21 may substitute a member of that appointing entity to serve in place of one of the regular
22 members appointed by that entity. If the commission chairman and vice chairman are not
23 present at a meeting, the commission members present at that meeting shall select a
24 commission member to serve as chairman for that meeting. A commission member may receive
25 compensation and travel and expense reimbursement from the appointing entity. The
26 department of commerce shall provide the commission with appropriate staff services as may
27 be requested by the commission.

28 **SECTION 84. AMENDMENT.** Section 15-70-03 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **15-70-03. Grant authorization.**

2 The ~~state board of~~ higher education administrator shall make grants to tribally controlled
3 community colleges to defray the costs of education associated with enrollment of
4 nonbeneficiary students. Grants made pursuant to this section must go directly to the recipient
5 institutions.

6 **SECTION 85. AMENDMENT.** Section 15-70-04 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-70-04. Submission of grant application - Distribution of grants.**

- 9 1. In order to qualify for a grant under this chapter, a tribally controlled community college
10 shall submit an application at the time and in the manner required by the ~~state board of~~
11 ~~higher education~~ administrator. The application must:
- 12 a. Include the name and address of each student who qualifies for financial
13 assistance under this chapter; and
- 14 b. Document the enrollment status of each student who qualifies for financial
15 assistance under this chapter.
- 16 2. If an application is approved, the ~~state board of~~ higher education administrator shall
17 distribute to the tribally controlled community college, during each year of the
18 biennium, an amount equivalent to the most recent per student payment provided in
19 accordance with the Tribally Controlled Colleges and Universities Assistance Act of
20 1978 [25 U.S.C. 20] for each nonbeneficiary student who is a resident of the state. If
21 the amount appropriated is insufficient to meet the requirements of this section, the
22 board shall prorate the amount to be distributed. The ~~board~~administrator may
23 distribute no more than one-half of the biennial legislative appropriation provided for
24 grants under this section during the first year of the biennium.
- 25 3. If after meeting the requirements of this section any amount remains available for
26 distribution at the conclusion of each year of the biennium, the ~~state board of~~ higher
27 education administrator shall provide prorated distribution based on criteria set forth in
28 this section.
- 29 4. At the time and in the manner determined by the ~~state board of~~ higher education
30 administrator, each tribally controlled community college receiving assistance under
31 this section shall file a report indicating:

- 1 a. The graduation rate of nonbeneficiary students; and
- 2 b. The ratio between the amount of funding received by the tribally controlled
- 3 community college under this section and the college's annual budget.

4 **SECTION 86. AMENDMENT.** Section 15-71-01 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **15-71-01. ~~State board of higher~~Higher education advisory committee - Biomass**
7 **energy center.**

8 The ~~state board of higher education~~ advisory committee is encouraged to establish or name
9 a biomass energy center or centers at an institution ~~or institutions~~ under the control of the a
10 higher education governing board to conduct research and provide education and technical
11 assistance related to biomass production, harvesting, transportation, and conversion.

12 **SECTION 87. AMENDMENT.** Section 15-71-02 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15-71-02. Biomass research responsibilities.**

15 If established or named by the ~~state board of higher education~~ advisory committee, the
16 biomass energy center ~~or centers~~ shall:

- 17 1. Complete agronomic research to determine the most efficient perennial grasses or
- 18 other plants for cellulose production and the amount of fertilization required.
- 19 2. Conduct research to determine the most efficient method of harvesting biomass.
- 20 3. Determine the benefits of biomass densification or preprocessing.
- 21 4. Complete an economic evaluation of all steps in the utilization of biomass for energy.

22 **SECTION 88. AMENDMENT.** Section 15-71-03 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15-71-03. Ethanol and biomass incentives.**

25 If established or named by the ~~state board of higher education~~ advisory committee, the
26 biomass energy center ~~or centers~~ shall work to identify and evaluate incentives for cellulosic
27 ethanol production and biomass energy through the legislative assembly or at the federal level.
28 The center ~~or centers~~ shall identify and evaluate incentives for producers, such as providing
29 payment for producers to grow a dedicated bio-energy crop or support equipment, harvesting,
30 and transportation costs.

1 **SECTION 89. AMENDMENT.** Section 15.1-01-02 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15.1-01-02. Joint meetings - State board of public school education - ~~State board of~~**
4 **~~higher~~Higher education advisory committee - Education standards and practices board -**
5 **State board for career and technical education.**

6 The state board of public school education, the ~~state board of~~ higher education advisory
7 committee, the education standards and practices board, and the state board for career and
8 technical education shall meet together at least once each year at the call of the superintendent
9 of public instruction, the ~~commissioner of~~ higher education administrator, the executive director
10 of the education standards and practices board, and the director of career and technical
11 education for the purposes of:

- 12 1. Coordinating elementary and secondary education programs, career and technical
13 education programs, and higher education programs;
- 14 2. Establishing high standards and expectations of students at all levels of the education
15 continuum;
- 16 3. Ensuring that all students have access to challenging curricula;
- 17 4. Ensuring that the individuals instructing students at all levels of the education
18 continuum are highly qualified and capable;
- 19 5. Cooperating in the provision of professional growth and development opportunities for
20 individuals instructing students at all levels of the education continuum; and
- 21 6. Ensuring cooperation in any other jointly beneficial project or program.

22 **SECTION 90. AMENDMENT.** Section 15.1-07-25.1 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15.1-07-25.1. Student names and addresses - Authorized disclosure.**

25 Notwithstanding section 44-04-18.13, and subject to any limitations on the disclosure of
26 directory information under title 34, Code of Federal Regulations, part 99, sections 31, 33, and
27 37, each high school shall provide to the ~~North Dakota university system~~office of higher
28 education a list of all students enrolled in grades ten and eleven as of April fifteenth of each
29 year, together with the students' addresses and telephone numbers. The ~~North Dakota~~
30 ~~university system~~office of higher education shall disclose this information to each institution

1 under the control of ~~the state board of a~~ higher education governing board and to each
2 nonpublic university and college in this state.

3 **SECTION 91. AMENDMENT.** Subsection 1 of section 15.1-15-12 of the North Dakota
4 Century Code is amended and reenacted as follows:

5 1. Any individual employed to teach at an institution of higher education under the control
6 of ~~the state board of a~~ higher education governing board;

7 **SECTION 92. AMENDMENT.** Section 15.1-21-02.6 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **15.1-21-02.6. North Dakota scholarship - Amount - Applicability.**

- 10 1. a. The ~~state board~~office of higher education shall provide to any student certified as
11 being eligible by the superintendent of public instruction either a North Dakota
12 academic scholarship or a North Dakota career and technical education
13 scholarship in the amount of seven hundred fifty dollars for each semester during
14 which the student is enrolled full time at an accredited institution of higher
15 education in this state, maintains a cumulative grade point average of 2.75, and
16 maintains progress toward degree completion.
- 17 b. The ~~state board~~office of higher education shall provide to any student certified as
18 being eligible by the superintendent of public instruction either a North Dakota
19 academic scholarship or a North Dakota career and technical education
20 scholarship in the amount of five hundred dollars for each quarter during which
21 the student is enrolled full time at an accredited institution of higher education in
22 this state, maintains a cumulative grade point average of 2.75, and maintains
23 progress toward degree completion.
- 24 2. The ~~state board~~office of higher education shall monitor each scholarship recipient to
25 ensure ~~that~~ the student meets the academic and other requirements of this section.
26 Upon determining ~~that~~ a recipient student has failed to meet the requirements of this
27 section, the ~~board~~office shall provide notification to the student within ten days.
- 28 3. A student is not entitled to receive more than six thousand dollars under this section.
- 29 4. The ~~state board~~office of higher education shall forward the scholarship directly to the
30 institution in which the student is enrolled.

1 **15.1-21-02.8. North Dakota scholarship - Eligibility - One-time exception.**

2 1. a. Notwithstanding section 15.1-21-02.6, if a student's cumulative grade point
3 average as determined by the ~~state board~~office of higher education at the
4 conclusion of a semester is below 2.75, the ~~board~~office shall grant an exception
5 and provide the North Dakota scholarship to which the student would otherwise
6 be entitled for the next semester in which the student is enrolled full time. The
7 exception provided by this section is applicable to a student only one time.

8 b. If a student's cumulative grade point average as determined by the ~~state-~~
9 ~~board~~office of higher education at the conclusion of a semester is below 2.75 for
10 a second time, the student is no longer eligible to receive any additional North
11 Dakota academic or career and technical education scholarships.

12 2. a. Notwithstanding section 15.1-21-02.6, if a student's cumulative grade point
13 average as determined by the ~~state board~~office of higher education at the
14 conclusion of a quarter is below 2.75, the ~~board~~office shall grant an exception
15 and provide the North Dakota scholarship to which the student would otherwise
16 be entitled for the next quarter in which the student is enrolled full time. The
17 exception provided by this section is applicable to a student only one time.

18 b. If a student's cumulative grade point average as determined by the ~~state-~~
19 ~~board~~office of higher education at the conclusion of a quarter is below 2.75 for a
20 second time, the student is no longer eligible to receive any additional North
21 Dakota academic or career and technical education scholarships.

22 **SECTION 94. AMENDMENT.** Subdivision f of subsection 1 of section 15.1-37-02 of the
23 North Dakota Century Code is amended and reenacted as follows:

24 f. The ~~commissioner of higher education~~ administrator, or the
25 ~~commissioner's~~administrator's designee;

26 **SECTION 95. AMENDMENT.** Section 18-12-03 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **18-12-03. Plans and specifications.**

29 Plans and specifications for all new public school buildings and for all additions to and
30 remodeling of existing public school buildings must be submitted for approval to the state fire
31 marshal, chief of the fire department or fire protection district with jurisdiction, and the

1 superintendent of public instruction or ~~state board~~office of higher education. Private school
2 plans and specifications must be submitted directly to the state fire marshal and the chief of the
3 fire department or fire protection district with jurisdiction for approval.

4 **SECTION 96. AMENDMENT.** Section 18-12-04 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **18-12-04. Employment of registered architects and engineers.**

7 All plans and specifications for construction, except agricultural sheds and barns, the
8 monetary worth of which is one hundred thousand dollars or more, must be prepared by and the
9 construction administration and construction observation services supervised by architects or
10 engineers registered in this state. The architect or engineer is legally responsible for designing
11 the building in accordance with the provisions of this chapter of adequate strength so as to
12 resist fire, and constructing the building in a workmanlike manner, according to the plans and
13 specifications as approved. School district projects are subject to the approval requirements of
14 section 15.1-36-01 and projects involving institutions of higher education under the control of
15 ~~the state board of a~~ higher education governing board are subject to the approval requirements
16 of chapter 15-10.

17 **SECTION 97. AMENDMENT.** Section 18-12-23 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **18-12-23. Electrical.**

20 All electrical wiring and apparatus must be installed in accordance with the provisions of the
21 state electrical law, rules, and regulations and local ordinances and the current edition of the
22 National Electrical Code.

23 Electrical plans and specifications must be reviewed by the state electrical board upon
24 referral by the superintendent of public instruction, the ~~state board~~office of higher education,
25 and the state fire marshal, and complete inspection service with final certificate of compliance
26 covering the electrical installation must be made by the same agency or by the local inspection
27 authority where available.

28 All educational facilities must be provided with exit marking, illumination of means of egress,
29 and emergency lighting as provided for within the N.F.P.A. Life Safety Code, standard 101
30 edition, corresponding to that of the state building code as defined in section 54-21.3-03.

1 **SECTION 98. AMENDMENT.** Subdivision e of subsection 12 of section 20.1-02-05 of the
2 North Dakota Century Code is amended and reenacted as follows:

3 e. A nonresident full-time student living in this state who is attending an institution
4 under the ~~jurisdiction of the state board~~control of a higher education governing
5 board, a private institution of higher education, or a tribal college. A license may
6 not be issued under this subdivision unless a valid student identification number
7 accompanies the application.

8 **SECTION 99. AMENDMENT.** Subsection 7 of section 26.1-05-19 of the North Dakota
9 Century Code is amended and reenacted as follows:

10 7. Bonds issued by ~~the state board of~~a higher education governing board under chapter
11 15-55.

12 **SECTION 100. AMENDMENT.** Section 26.1-22-09 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **26.1-22-09. Buildings to be reported to commissioner.**

15 In each odd-numbered year, or upon application for insurance, ~~the state board of each~~
16 higher education, ~~and governing board~~; each officer, department, or agent of the state and of
17 any industry thereof having in charge any public building belonging to the state; each county
18 auditor, city auditor, township clerk, and school district business manager, ~~as the case may be;~~
19 the agent for an international peace garden; and the agent for a winter show, if applicable, shall
20 report to the commissioner the insurable value of each public building, or of each building
21 owned by an international peace garden or a winter show with the exception of buildings
22 insured by private insurance companies, and of the fixtures and permanent contents ~~therein~~
23 the buildings, with the exception of fixtures and permanent contents insured by private
24 insurance companies, belonging to the state, political subdivision, an international peace
25 garden, or a winter show, and shall supply such other information ~~as may be~~ required by the
26 commissioner on forms provided by the commissioner.

27 **SECTION 101. AMENDMENT.** Subdivision j of subsection 2 of section 28-32-01 of the
28 North Dakota Century Code is amended and reenacted as follows:

29 j. The ~~board of~~ higher education advisory committee, office of higher education,
30 and higher education governing boards.

1 **SECTION 102. AMENDMENT.** Section 29-29.5-03 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **29-29.5-03. Limitation on use of campus police.**

4 A law enforcement officer employed under section 15-10-17 may not enter an informant
5 agreement with a student enrolled in an institution under the control of ~~the state board of a~~
6 higher education governing board.

7 **SECTION 103. AMENDMENT.** Subsection 5 of section 34-11.1-04 of the North Dakota
8 Century Code is amended and reenacted as follows:

9 5. An employee of the state may appeal a claim of reprisal under this section in the
10 manner prescribed for a classified employee under chapter 54-44.3. This subsection
11 does not apply to an employee under the jurisdiction of ~~the state board of a~~ higher
12 education governing board or the judicial branch of government.

13 **SECTION 104. AMENDMENT.** Section 37-07.2-01 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **37-07.2-01. National guard tuition grants - Terms of grants.**

16 Any qualifying member of the national guard who enrolls in an accredited postsecondary
17 institution in North Dakota may receive, subject to the limitations of available appropriated funds
18 and subject to national guard rules adopted by the adjutant general, ~~receive~~ a grant in an
19 amount not to exceed the cost of tuition and fees for similar courses and credit hours for each
20 qualifying member of the national guard who is enrolled at a ~~North Dakota university system~~
21 ~~school~~ state institution of higher education with the highest tuition and fee rate. Any accredited
22 postsecondary institution that agrees to participate in ~~such~~ the a program must waive twenty-five
23 percent of the tuition for qualifying national guardsmen. These grants must be distributed
24 according to rules promulgated by the adjutant general and are available only so long as the
25 member maintains satisfactory performance with the guard, meets the qualification
26 requirements of the rules, and pursues a course of study which satisfies the normal
27 requirements of the school.

28 **SECTION 105. AMENDMENT.** Section 44-04-18.4 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **44-04-18.4. Confidentiality of trade secret, proprietary, commercial, financial, and**
2 **research information.**

3 1. Trade secret, proprietary, commercial, and financial information is confidential if it is of
4 a privileged nature and it has not been previously publicly disclosed.

5 2. Under this section, unless the context otherwise requires:

6 a. "Commercial information" means information pertaining to buying or selling of
7 goods and services that has not been previously publicly disclosed and that if the
8 information were to be disclosed would impair the public entity's future ability to
9 obtain necessary information or would cause substantial competitive injury to the
10 person from which the information was obtained.

11 b. "Financial information" means information pertaining to monetary resources of a
12 person that has not been previously publicly disclosed and that if the information
13 were to be disclosed would impair the public entity's future ability to obtain
14 necessary information or would cause substantial competitive injury to the person
15 from which the information was obtained.

16 c. "Proprietary information" includes:

17 (1) Information shared between a sponsor of research or a potential sponsor of
18 research and a public entity conducting or negotiating an agreement for the
19 research.

20 (2) Information received from a private business that has entered or is
21 negotiating an agreement with a public entity to conduct research or
22 manufacture or create a product for potential commercialization.

23 (3) A discovery or innovation generated by the research information, technical
24 information, financial information, or marketing information acquired under
25 activities described under paragraph 1 or 2.

26 (4) A document specifically and directly related to the licensing or
27 commercialization resulting from activities described under paragraph 1, 2,
28 or 6.

29 (5) Technical, financial, or marketing records that are received by a public
30 entity, which are owned or controlled by the submitting person, are intended

- 1 to be and are treated by the submitting person as private, and the disclosure
2 of which would cause harm to the submitting person's business.
- 3 (6) A discovery or innovation produced by the public entity that an employee or
4 the entity intends to commercialize.
- 5 (7) A computer software program and components of a computer software
6 program that are subject to a copyright or a patent and any formula, pattern,
7 compilation, program, device, method, technique, or process supplied to a
8 public entity that is the subject of efforts by the supplying person to maintain
9 its secrecy and that may derive independent economic value, actual or
10 potential, from not being generally known to, and not being readily
11 ascertainable by proper means by, other persons that might obtain
12 economic value from its disclosure or use.
- 13 (8) A discovery or innovation that is subject to a patent or a copyright, and any
14 formula, pattern, compilation, program, device, combination of devices,
15 method, technique, technical know-how or process that is for use, or is
16 used, in the operation of a business and is supplied to or prepared by a
17 public entity that is the subject of efforts by the supplying or preparing
18 person to maintain its secrecy and provides the preparing person an
19 advantage or an opportunity to obtain an advantage over those who do not
20 know or use it or that may derive independent economic value, actual or
21 potential, from not being generally known to, and not being readily
22 ascertainable by proper means by, a person that might obtain economic
23 value from its disclosure or use.
- 24 d. "Trade secret" means information, including a formula, pattern, compilation,
25 program, device, method, technique, technical know-how, or process, that:
- 26 (1) Derives independent economic value, actual or potential, from not being
27 generally known to, and not being readily ascertainable by proper means by,
28 other persons that can obtain economic value from its disclosure or use;
29 and
- 30 (2) Is the subject of efforts that are reasonable under the circumstances to
31 maintain the secrecy of the information.

- 1 3. This section does not limit or otherwise affect a record pertaining to any rule of the
2 state department of health or to any record pertaining to the application for a permit or
3 license necessary to do business or to expand business operations within this state,
4 except as otherwise provided by law.
- 5 4. This section does not limit the release or use of records obtained in an investigation by
6 the attorney general or other law enforcement official.
- 7 5. Unless made confidential under subsection 1, the following economic development
8 records and information are exempt:
 - 9 a. Records and information pertaining to a prospective location of a business or
10 industry, including the identity, nature, and location of the business or industry,
11 when no previous public disclosure has been made by the business or industry of
12 the interest or intent of the business or industry to locate in, relocate within,
13 expand within this state, or partner with a public entity to conduct research or to
14 license a discovery or innovation. This exemption does not include records
15 pertaining to the application for permits or licenses necessary to do business or
16 to expand business operations within this state, except as otherwise provided by
17 law.
 - 18 b. Trade secrets and proprietary, commercial, or financial information received from
19 a person that is interested in applying for or receiving financing, technical
20 assistance, or other forms of business assistance.
- 21 6. Unless made confidential under subsection 1 or made exempt under subsection 5:
 - 22 a. Bids received by a public entity in response to an invitation for bids by the public
23 entity are exempt until all of the bids have been received and opened by the
24 public entity.
 - 25 b. Proposals received by a public entity in response to a request for proposals are
26 exempt records until a notice of intent to award is issued.
 - 27 c. Records included with any bid or proposal naming and generally describing the
28 entity submitting the proposal are open.
- 29 7. Unless made confidential under subsection 1, records received by the state
30 department of emergency services under chapter 37-17.1 and the state local
31 intelligence center from the federal government and any public or private agency or

- 1 entity for disaster mitigation, preparation, response, and recovery, or for cyber threat
2 are exempt.
- 3 8. Unless made confidential under subsection 1, university research records are exempt.
4 "University research records" means data and records, other than a financial or
5 administrative record, produced or collected by or for faculty or staff of an institution
6 under the control of ~~the state board of a~~ higher education governing board in the
7 conduct of or as a result of study or research on an educational, commercial, scientific,
8 artistic, technical, or scholarly issue, regardless of whether the study or research was
9 sponsored by the institution alone, or in conjunction with a governmental or private
10 entity, provided the information has not been publicly released, published, or patented.
- 11 9. Personally identifiable study information is confidential. "Personally identifiable study
12 information" means information about an individual participating in a human research
13 study or project at an institution under the control of ~~the state board of a~~ higher
14 education governing board which requires prospective institutional review board
15 review or a determination of exemption, if the information can be used to distinguish or
16 trace the individual's identity, or is linked or linkable to the individual. Examples of
17 personally identifiable study information include name, maiden name, mother's maiden
18 name, alias, personal identification number, social security number, passport number,
19 driver's license number, taxpayer identification number, financial account or credit card
20 number, address, email address, photographic images, fingerprints, handwriting, and
21 other biometric data. Information about participants in human subjects research which
22 does not constitute personally identifiable study information but is part of a human
23 subjects research study or project at an institution under the control of ~~the state board of a~~
24 higher education governing board requiring prospective institutional review board
25 review or a determination of exemption is a university research record under
26 subsection 8.
- 27 10. Subsections 8 and 9 do not apply to a student record or other information disclosed by
28 an institution under the control of ~~the state board of a~~ higher education governing board
29 to the statewide longitudinal data system.

30 **(Contingent effective date - [See note](#)) Confidentiality of trade secret, proprietary,**
31 **commercial, financial, and research information.**

- 1 1. Trade secret, proprietary, commercial, and financial information is confidential if it is of
2 a privileged nature and it has not been previously publicly disclosed.
- 3 2. Under this section, unless the context otherwise requires:
- 4 a. "Commercial information" means information pertaining to buying or selling of
5 goods and services that has not been previously publicly disclosed and that if the
6 information were to be disclosed would impair the public entity's future ability to
7 obtain necessary information or would cause substantial competitive injury to the
8 person from which the information was obtained.
- 9 b. "Financial information" means information pertaining to monetary resources of a
10 person that has not been previously publicly disclosed and that if the information
11 were to be disclosed would impair the public entity's future ability to obtain
12 necessary information or would cause substantial competitive injury to the person
13 from which the information was obtained.
- 14 c. "Proprietary information" includes:
- 15 (1) Information shared between a sponsor of research or a potential sponsor of
16 research and a public entity conducting or negotiating an agreement for the
17 research.
- 18 (2) Information received from a private business that has entered or is
19 negotiating an agreement with a public entity to conduct research or
20 manufacture or create a product for potential commercialization.
- 21 (3) A discovery or innovation generated by the research information, technical
22 information, financial information, or marketing information acquired under
23 activities described under paragraph 1 or 2.
- 24 (4) A document specifically and directly related to the licensing or
25 commercialization resulting from activities described under paragraph 1, 2,
26 or 6.
- 27 (5) Technical, financial, or marketing records that are received by a public
28 entity, which are owned or controlled by the submitting person, are intended
29 to be and are treated by the submitting person as private, and the disclosure
30 of which would cause harm to the submitting person's business.

1 (6) A discovery or innovation produced by the public entity that an employee or
2 the entity intends to commercialize.

3 (7) A computer software program and components of a computer software
4 program that are subject to a copyright or a patent and any formula, pattern,
5 compilation, program, device, method, technique, or process supplied to a
6 public entity that is the subject of efforts by the supplying person to maintain
7 its secrecy and that may derive independent economic value, actual or
8 potential, from not being generally known to, and not being readily
9 ascertainable by proper means by, other persons that might obtain
10 economic value from its disclosure or use.

11 (8) A discovery or innovation that is subject to a patent or a copyright, and any
12 formula, pattern, compilation, program, device, combination of devices,
13 method, technique, technical know-how or process that is for use, or is
14 used, in the operation of a business and is supplied to or prepared by a
15 public entity that is the subject of efforts by the supplying or preparing
16 person to maintain its secrecy and provides the preparing person an
17 advantage or an opportunity to obtain an advantage over those who do not
18 know or use it or that may derive independent economic value, actual or
19 potential, from not being generally known to, and not being readily
20 ascertainable by proper means by, a person that might obtain economic
21 value from its disclosure or use.

22 d. "Trade secret" means information, including a formula, pattern, compilation,
23 program, device, method, technique, technical know-how, or process, that:
24 (1) Derives independent economic value, actual or potential, from not being
25 generally known to, and not being readily ascertainable by proper means by,
26 other persons that can obtain economic value from its disclosure or use;
27 and
28 (2) Is the subject of efforts that are reasonable under the circumstances to
29 maintain the secrecy of the information.

30 3. This section does not limit or otherwise affect a record pertaining to any rule of the
31 state department of health or department of environmental quality or to any record

- 1 pertaining to the application for a permit or license necessary to do business or to
2 expand business operations within this state, except as otherwise provided by law.
- 3 4. This section does not limit the release or use of records obtained in an investigation by
4 the attorney general or other law enforcement official.
- 5 5. Unless made confidential under subsection 1, the following economic development
6 records and information are exempt:
- 7 a. Records and information pertaining to a prospective location of a business or
8 industry, including the identity, nature, and location of the business or industry,
9 when no previous public disclosure has been made by the business or industry of
10 the interest or intent of the business or industry to locate in, relocate within,
11 expand within this state, or partner with a public entity to conduct research or to
12 license a discovery or innovation. This exemption does not include records
13 pertaining to the application for permits or licenses necessary to do business or
14 to expand business operations within this state, except as otherwise provided by
15 law.
- 16 b. Trade secrets and proprietary, commercial, or financial information received from
17 a person that is interested in applying for or receiving financing, technical
18 assistance, or other forms of business assistance.
- 19 6. Unless made confidential under subsection 1 or made exempt under subsection 5:
- 20 a. Bids received by a public entity in response to an invitation for bids by the public
21 entity are exempt until all of the bids have been received and opened by the
22 public entity.
- 23 b. Proposals received by a public entity in response to a request for proposals are
24 exempt records until a notice of intent to award is issued.
- 25 c. Records included with any bid or proposal naming and generally describing the
26 entity submitting the proposal are open.
- 27 7. Unless made confidential under subsection 1, records received by the state
28 department of emergency services under chapter 37-17.1 and the state local
29 intelligence center from the federal government and any public or private agency or
30 entity for disaster mitigation, preparation, response, and recovery, or for cyber threat
31 are exempt.

- 1 8. Unless made confidential under subsection 1, university research records are exempt.
2 "University research records" means data and records, other than a financial or
3 administrative record, produced or collected by or for faculty or staff of an institution
4 under the control of ~~the state board of a~~ higher education governing board in the
5 conduct of or as a result of study or research on an educational, commercial, scientific,
6 artistic, technical, or scholarly issue, regardless of whether the study or research was
7 sponsored by the institution alone, or in conjunction with a governmental or private
8 entity, provided the information has not been publicly released, published, or patented.
- 9 9. Personally identifiable study information is confidential. "Personally identifiable study
10 information" means information about an individual participating in a human research
11 study or project at an institution under the control of ~~the state board of a~~ higher
12 education governing board which requires prospective institutional review board
13 review or a determination of exemption, if the information can be used to distinguish or
14 trace the individual's identity, or is linked or linkable to the individual. Examples of
15 personally identifiable study information include name, maiden name, mother's maiden
16 name, alias, personal identification number, social security number, passport number,
17 driver's license number, taxpayer identification number, financial account or credit card
18 number, address, email address, photographic images, fingerprints, handwriting, and
19 other biometric data. Information about participants in human subjects research which
20 does not constitute personally identifiable study information but is part of a human
21 subjects research study or project at an institution under the control of ~~the state board~~
22 of a higher education governing board requiring prospective institutional review board
23 review or a determination of exemption is a university research record under
24 subsection 8.
- 25 10. Subsections 8 and 9 do not apply to a student record or other information disclosed by
26 an institution under the control of ~~the state board of a~~ higher education governing board
27 to the statewide longitudinal data system.

28 **SECTION 106. AMENDMENT.** Subsection 1 of section 44-04-18.15 of the North Dakota
29 Century Code is amended and reenacted as follows:

- 30 1. Any private donor or prospective donor name, address, telephone number, electronic
31 mail address, estate planning information, tax record or financial information, or other

1 personal information or correspondence received or retained by a ~~board of higher-~~
2 ~~education or university system~~an officer or employee of the higher education advisory
3 committee, the office of higher education, a higher education governing board, or an
4 institution governed by a higher education governing board, or by an affiliated
5 nonprofit organization that provides support to and is organized and operated for the
6 benefit of an institution under the ~~authority of the board~~control of a higher education
7 governing board is exempt.

8 **SECTION 107. AMENDMENT.** Section 44-04-18.16 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **44-04-18.16. Confidentiality of patient records at student health services and**
11 **university system clinics.**

12 Any patient record of a patient at a state college or university student health service,
13 university of North Dakota medical center or family practice center, or other ~~university system-~~
14 medical center or clinic under the control of a higher education governing board is confidential.

15 **SECTION 108. AMENDMENT.** Section 44-04-18.28 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **44-04-18.28. Title IX records at state universities and colleges exempt.**

18 Any record related to a complaint or investigation under title IX of the Education
19 Amendments of 1972 [Pub. L. 92-318; 20 U.S.C. 1681 et seq.] at an institution under the control
20 of ~~the state board of a~~ higher education governing board which contains personally identifiable
21 information about a party to the complaint is an exempt record. For purposes of this section,
22 "personally identifiable information" means information that directly identifies an individual, and
23 information that, alone or in combination with other information, is linked or linkable to an
24 individual and would allow a reasonable person who lacks knowledge of the relevant
25 circumstances to identify the individual.

26 **SECTION 109. AMENDMENT.** Subsection 7 of section 44-04-20 of the North Dakota
27 Century Code is amended and reenacted as follows:

28 7. A committee of an institution under the ~~authority of the state board~~control of a higher
29 education governing board, in lieu of the notice requirements in this section, may file in
30 the office of the president of the institution the name, address, and telephone number
31 of a person who may be contacted to obtain specific times, dates, and locations of any

1 meetings of that committee or to request specific notification of each meeting of that
2 committee.

3 **SECTION 110. AMENDMENT.** Subsection 2 of section 44-08-05.1 of the North Dakota
4 Century Code is amended and reenacted as follows:

5 2. The director of the office of management and budget, the ~~state board~~office of higher
6 education, a higher education governing board, the governing body of any political
7 subdivision, and the board of any school district may establish and administer a
8 purchasing card system for use by its officers, employees, representatives, or agents.
9 If the director of the office of management and budget establishes a cooperative
10 purchasing contract under section 54-44.4-13, each participating government entity is
11 responsible for its purchasing card system.

12 **SECTION 111. AMENDMENT.** Section 48-01.2-02 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **48-01.2-02. Plans and specifications for a public improvement contract.**

15 Except as otherwise provided in this chapter, if the estimated cost for the construction of a
16 public improvement is in excess of the threshold established under section 48-01.2-02.1, the
17 governing body shall procure plans, drawings, and specifications for the improvement from an
18 architect or engineer. For a public building in use by or to be used by the North Dakota
19 agricultural experiment station in connection with farm or agricultural research operations, the
20 plans, drawings, and specifications, with the approval of the ~~state board of higher~~
21 educationresearch university governing board, may be prepared by an engineer in the regular
22 employment of the agricultural experiment station. For a public building in use by or to be used
23 by the department of transportation for the storage and housing of road materials or road
24 machinery, equipment, and tools, the plans, drawings, and specifications may be prepared by
25 an engineer employed by the department of transportation. Plans, drawings, and specifications
26 of an architect or engineer must be stamped and sealed by the date of the initial bid
27 advertisement.

28 **SECTION 112. AMENDMENT.** Subsection 7 of section 51-35-01 of the North Dakota
29 Century Code is amended and reenacted as follows:

1 7. "Scrap metal dealer" means a person, ~~as defined in subsection 8 of section 1-01-49,~~
2 engaged in the business of purchasing, selling, trading, or bartering scrap metal, and
3 includes all employees of the scrap metal dealer.

4 **SECTION 113. AMENDMENT.** Subdivision c of subsection 13 of section 52-02.1-01 of the
5 North Dakota Century Code is amended and reenacted as follows:

6 c. Subcontracted services with institutions governed by ~~the state board of a~~ higher
7 education, governing board; private colleges or universities; federal, state, or
8 local agencies; or other private training or educational services.

9 **SECTION 114. AMENDMENT.** Section 52-08-08 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **52-08-08. Institution to serve workforce needs.**

12 Subject to ~~state board of higher education~~ policies of the relevant higher education
13 governing board, the president of an institution of higher education ~~that, which~~ is assigned
14 primary responsibility for workforce training shall establish a division or other unit within the
15 institution to serve the workforce needs of business and industry and to serve as a broker in
16 arranging the delivery of training.

17 **SECTION 115. AMENDMENT.** Section 52-08-09 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **52-08-09. Workforce training board - Formation.**

20 Subject to ~~state board of higher education~~ policies of the relevant higher education
21 governing board, the president of an institution of higher education ~~that, which~~ is assigned
22 primary responsibility for workforce training shall appoint a workforce training board consisting
23 of representatives from businesses, labor, and industries located within the institution's delivery
24 area. The workforce training board must consist of at least seven but no more than fifteen
25 members and must include at least one representative from either an Indian-owned business,
26 the tribal government, or the tribal colleges within the designated region.

27 **SECTION 116. AMENDMENT.** Section 52-08-10 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **52-08-10. Preparation of business plan - Revolving loans.**

30 Subject to ~~state board of higher education~~ policies of the relevant higher education
31 governing board, the president of an institution of higher education ~~that, which~~ is assigned

1 primary responsibility for workforce training shall prepare an annual business plan that must
2 include provisions for use of the training capacity of the tribal colleges within the designated
3 region, in consultation with the workforce training board. The business plan may include
4 participation as a community under the new jobs training program under chapter 52-02.1. The
5 workforce training board shall approve the business plan and make recommendations for
6 funding of the business plan to the ~~state board of higher education~~ governing board of the
7 institution of higher education. Any state funds received under this program by ~~the institutions an~~
8 institution of higher education assigned primary responsibility for workforce training must be
9 used for business and customized training activities. The ~~state board of higher education~~
10 governing board may establish for each institution of higher education under the control of the
11 governing board which is assigned primary responsibility for workforce training a revolving loan
12 fund for workforce training program startups using the borrowing authority provided in section
13 ~~45-10-16.115-10.5-28~~.

14 **SECTION 117. AMENDMENT.** Section 52-08-11 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **52-08-11. Performance measurements for workforce training.**

17 Subject to ~~state board of higher education~~ policies of the relevant higher education
18 governing board, the president of an institution of higher education ~~that, which~~ is assigned
19 primary responsibility for workforce training shall develop, in consultation with the workforce
20 training board, performance measurements for workforce training. The measurements must
21 include requirements for being time-sensitive and results-oriented and must determine how well
22 the training needs of business and industry are being met.

23 **SECTION 118. AMENDMENT.** Section 54-10-22.1 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **54-10-22.1. State auditor's access to information relating to operations of**
26 **governmental entities subject to audit.**

27 Notwithstanding any other specific sections of law, the state auditor and persons employed
28 by the state auditor, when necessary in conducting an audit, shall have access to all information
29 relating to operations of all governmental units or component units subject to audit except active
30 investigatory work product of the attorney general as defined in section 44-04-19.1 and financial
31 records and estate planning records a donor provides to a nonprofit organization affiliated with

1 an institution under the control of ~~the state board of a~~ higher education governing board, which
2 provides support to and is organized and operated for the benefit of the institution. Except for
3 active investigatory work product of the attorney general as defined in section 44-04-19.1 and
4 tax records as described in section 54-10-24, the state auditor may inspect any state agency's
5 books, papers, accounts, or records that may be relevant to an ongoing audit of any other state
6 agency or computer system audit. The state auditor and persons employed by the state auditor
7 examining any information, which is confidential by law, shall guard the secrecy of such
8 information except when otherwise directed by judicial order or as is otherwise provided by law.

9 **SECTION 119. AMENDMENT.** Section 54-10-30 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **54-10-30. ~~State board of higher~~Higher education audits - Higher education audit**
12 **division.**

- 13 1. The state auditor shall establish a higher education audit division and employ a
14 division audit manager to perform all audits of and audit related functions of ~~the state-~~
15 ~~board of~~for the higher education advisory committee, office of higher education, higher
16 education governing boards, and state institutions of higher education, including the
17 examination and evaluation of the adequacy and effectiveness of ~~the board's~~each
18 entity's governance, risk management, internal controls, performance of
19 constitutionally and statutorily required duties, and other areas as determined by the
20 state auditor. The audit manager shall conduct audits, as determined appropriate by
21 the state auditor, of each institution under the supervision and control of ~~the state-~~
22 ~~board of a~~ higher education governing board. The audit manager may consult with the
23 ~~state board of~~institution's higher education governing board, or a committee
24 designated by the board, regarding audit plans, results of audit activities, and any
25 other appropriate issue. The state auditor shall determine the audit scope and related
26 audit areas of any audit conducted by the audit manager. This section does not require
27 the state auditor to perform any duties that would compromise the auditor's
28 independence under government auditing standards.
- 29 2. The audit manager may access and examine any record under the control of ~~the state-~~
30 ~~board of a~~ higher education governing board. For purposes of reviewing records under
31 the Family Educational Rights and Privacy Act [20 U.S.C. 1232g; 34 CFR 99] or any

1 other federal privacy law, the audit manager must be considered a state educational
2 official authorized to access student records for audit purposes.

3 3. The state auditor may hire employees necessary to carry out the duties and
4 responsibilities of this section. The state auditor may hire consultants to assist with
5 any duties required under this section subject to approval by the legislative audit and
6 fiscal review committee. ~~The state board of higher education~~The entity regarding
7 which the state auditor hires a consultant under this subsection shall pay for the cost
8 of any consultant approved under this section.

9 4. This section does not prohibit ~~the state board of a~~ higher education governing board
10 from employing internal audit staff or contracting for internal audit services.

11 **SECTION 120. AMENDMENT.** Section 54-12-08 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **54-12-08. Assistant and special assistant attorneys general - Appointment -**
14 **Revocation - Compensation.**

15 1. After consultation with the head of the state department or institution or with the state
16 board, commission, committee, or agency affected, the attorney general may appoint
17 assistant or special assistant attorneys general to represent the state board,
18 commission, committee, or agency. A state officer, head of any state department,
19 whether elected or appointed, or state department, board, commission, committee, or
20 agency may not employ legal counsel, and no person may act as legal counsel in any
21 matter, action, or proceeding in which the state or any state department, board,
22 commission, committee, or agency is interested or is a party, except upon written
23 appointment by the attorney general. Workforce safety and insurance, the department
24 of transportation, the state tax commissioner, the public service commission, the
25 insurance commissioner, and the securities commissioner may employ attorneys to
26 represent them. These entities shall pay the salaries and expenses of the attorneys
27 they employ within the limits of legislative appropriations. The attorneys that represent
28 these entities must be special assistant attorneys general appointed by the attorney
29 general pursuant to this section. Absent good cause, the attorney general shall appoint
30 as special assistant attorneys general licensed attorneys selected by these entities.
31 The attorney general may revoke the appointment only for good cause or upon the

1 request of the entity. Good cause means an inadequate level of experience,
2 competence, or ethical standards.

3 2. The powers conferred upon special assistant attorneys general are the same as are
4 exercised by the regular assistant attorneys general, unless the powers are limited
5 specifically by the terms of the appointment. Except as otherwise provided by this
6 section, an appointment is revocable at the pleasure of the attorney general. The
7 appointment may be made with or without compensation, and when compensation is
8 allowed by the attorney general for services performed, the compensation must be
9 paid out of the funds appropriated therefor.

10 3. The attorney general may require payment for legal services rendered by any
11 assistant or special assistant attorney general to any state official, board, department,
12 agency, or commission and those entities shall make the required payment to the
13 attorney general. Moneys received by the attorney general in payment for legal
14 services rendered must be deposited into the attorney general's operating fund.
15 General fund moneys may not be utilized for the payment of legal services provided by
16 the attorneys employed by the attorney general, except for those payments required of
17 the department of human services, state department of health, and the state hospital.

18 4. An assistant or special assistant attorney general appointed to represent the ~~state-~~
19 ~~board of higher education~~ advisory committee, the office of higher education, a higher
20 education governing board, or an institution under the control of ~~the state board of a~~
21 higher education governing board may access and examine any record under the
22 control of ~~the state board of higher education~~ the entity represented. For purposes of
23 reviewing records under the Family Educational Rights and Privacy Act [20 U.S.C.
24 1232g; 34 CFR 99] or any other federal privacy law, the assistant or special assistant
25 attorney general is considered a state educational official authorized to access student
26 records.

27 **Assistant and special assistant attorneys general - Appointment - Revocation -**
28 **Compensation. (Contingent effective date - [See note](#))**

29 1. After consultation with the head of the state department or institution or with the state
30 board, commission, committee, or agency affected, the attorney general may appoint
31 assistant or special assistant attorneys general to represent the state board,

1 commission, committee, or agency. A state officer, head of any state department,
2 whether elected or appointed, or state department, board, commission, committee, or
3 agency may not employ legal counsel, and no person may act as legal counsel in any
4 matter, action, or proceeding in which the state or any state department, board,
5 commission, committee, or agency is interested or is a party, except upon written
6 appointment by the attorney general. Workforce safety and insurance, the department
7 of transportation, the state tax commissioner, the public service commission, the
8 insurance commissioner, and the securities commissioner may employ attorneys to
9 represent them. These entities shall pay the salaries and expenses of the attorneys
10 they employ within the limits of legislative appropriations. The attorneys that represent
11 these entities must be special assistant attorneys general appointed by the attorney
12 general pursuant to this section. Absent good cause, the attorney general shall appoint
13 as special assistant attorneys general licensed attorneys selected by these entities.
14 The attorney general may revoke the appointment only for good cause or upon the
15 request of the entity. Good cause means an inadequate level of experience,
16 competence, or ethical standards.

17 2. The powers conferred upon special assistant attorneys general are the same as are
18 exercised by the regular assistant attorneys general, unless the powers are limited
19 specifically by the terms of the appointment. Except as otherwise provided by this
20 section, an appointment is revocable at the pleasure of the attorney general. The
21 appointment may be made with or without compensation, and when compensation is
22 allowed by the attorney general for services performed, the compensation must be
23 paid out of the funds appropriated therefor.

24 3. The attorney general may require payment for legal services rendered by any
25 assistant or special assistant attorney general to any state official, board, department,
26 agency, or commission and those entities shall make the required payment to the
27 attorney general. Moneys received by the attorney general in payment for legal
28 services rendered must be deposited into the attorney general's operating fund.
29 General fund moneys may not be utilized for the payment of legal services provided by
30 the attorneys employed by the attorney general, except for those payments required of

1 the department of human services, state department of health, department of
2 environmental quality, and the state hospital.

3 4. An assistant or special assistant attorney general appointed to represent the ~~state-~~
4 ~~board of~~ higher education advisory committee, the office of higher education, a higher
5 education governing board, or an institution under the control of the ~~state board of a~~
6 higher education governing board may access and examine any record under the
7 control of the ~~state board of higher education~~ entity represented. For purposes of
8 reviewing records under the Family Educational Rights and Privacy Act [20 U.S.C.
9 1232g; 34 CFR 99] or any other federal privacy law, the assistant or special assistant
10 attorney general is considered a state educational official authorized to access student
11 records.

12 **SECTION 121. AMENDMENT.** Subsections 1 and 5 of section 54-12-35 of the North
13 Dakota Century Code are amended and reenacted as follows:

- 14 1. To the extent the annual cap under this section has not been met, an individual who is
15 employed as a full-time law enforcement officer in this state, who has a minimum of
16 two years of employment, and who is licensed under chapter 12-63, is entitled to a
17 waiver of twenty-five percent of resident tuition and fees of any institution of higher
18 education under the control of the ~~state board of a~~ higher education governing board if
19 the law enforcement officer:
- 20 a. Maintains satisfactory performance with the officer's law enforcement agency;
 - 21 b. Obtains authorization to participate in the waiver program and a certificate of
22 verification from the law enforcement officer's superior officer which attests to the
23 officer's satisfactory performance;
 - 24 c. Meets all admission requirements of the institution; and
 - 25 d. Pursues studies leading to a degree from an associate degree program or a
26 baccalaureate degree program.
- 27 5. The total amount of waivers granted each academic year by institutions under the
28 control of the ~~state board of a~~ higher education governing board may not exceed five
29 hundred thousand dollars.

30 **SECTION 122. AMENDMENT.** Section 54-27-10 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **54-27-10. Appropriations - When available.**

2 Unless otherwise authorized as provided in this section, seventy-five percent of the
3 appropriations made by the legislative assembly for the line items of salaries and wages and
4 operating expenses for any state institution, department, board, commission, or bureau in the
5 executive branch of state government for the biennium, except institutions under the ~~jurisdiction-~~
6 ~~and supervision of the state board of control of a higher education governing board,~~ shall
7 become available on the first day of July next succeeding the enactment by the legislative
8 assembly. The remaining twenty-five percent of any such appropriations shall be available only
9 at the beginning of the fourth quarter of the biennium. No state institution, department, board,
10 commission, or bureau in the executive branch of government for which an appropriation for
11 salaries and wages and operating expenses is made may disburse more than seventy-five
12 percent of such appropriation during the first eighteen months of the biennium nor incur any
13 expense or liability which shall be discharged from such appropriation or for which such
14 appropriation shall become available. Whenever it is made to appear to the emergency
15 commission by a verified petition submitted by a state institution, department, board,
16 commission, or bureau in the executive branch of state government that the percentage of the
17 appropriation for operating expenses allocated for the first three-quarters of the biennium will
18 not be adequate to properly perform its duties and functions, because of seasonal or other
19 unusual circumstances, it may authorize a revision of the allocated percentage in any such
20 items, except salaries and wages, provided it will not deprive such state institution, department,
21 board, commission, or bureau from maintaining its office for the fourth quarter of the biennium.

22 **SECTION 123. AMENDMENT.** Section 54-27-11 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **54-27-11. Appropriation - Record kept by office of management and budget - Duties**
25 **and limitations.**

- 26 1. The office of management and budget shall keep a record showing:
- 27 4. a. The total amount appropriated for maintenance for each state officer or agency,
28 and of each separate item ~~thereof~~ of the state officer or agency.
- 29 2. b. The amount equal to seventy-five and twenty-five percent of the total
30 appropriated and each separate item ~~thereof~~ of the state officer or agency.

1 ~~3.~~ c. The amount expended and the balance on hand. The term expended includes
2 amounts which are payable for which funds have not yet been disbursed.

3 2. The office of management and budget may not allow any expenditure or issue any
4 warrant during the first eighteen months of each biennium in excess of seventy-five
5 percent of any item appropriated for salaries and wages and operating expenses for
6 any state official or state agency in the executive branch of government. The duties
7 and limitations imposed upon the office of management and budget apply only to the
8 total amount appropriated for salaries and wages and operating expenses for the
9 biennium but not to separate amounts appropriated for those line items, for all penal
10 and charitable institutions of this state and all institutions under the ~~jurisdiction and~~
11 ~~supervision of the state board of~~ control of a higher education governing board. The
12 administrative department, office, or board shall keep a record showing the amount,
13 equal to seventy-five and twenty-five percent, respectively, of the total amount and of
14 each separate item appropriated for salaries and wages and operating expenses for
15 all such institutions under its control and is responsible for the enforcement of the
16 restrictions upon the expenditure of all moneys appropriated to such institutions for
17 such purposes.

18 **SECTION 124. AMENDMENT.** Section 54-27-12 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **54-27-12. Expenditure of amount in excess of appropriation for state institutions -**
21 **Unlawful.**

22 The administrative department, office, or board of any penal or charitable state institution, or
23 ~~the state board of a~~ higher education governing board, or any person ~~thereof~~ of the entity, in the
24 transaction of the business of any state institution under its direction or control, may not make
25 nor authorize knowingly any expenditure in the matter of the erection or improvement of any
26 public building or structure, or the purchase of any real property, in excess of any appropriation
27 made by the legislative assembly for ~~such~~ that purpose. The president, superintendent, or
28 managing officer of any state institution ~~conducted~~ under the direction or control of any
29 department, office, or board, or ~~the state board of~~ higher education governing board may not
30 connive nor conspire knowingly with ~~such~~ departments, offices, or boards in violation of this
31 section, nor with any member ~~thereof~~ of an entity in violation of this section, to procure to be

1 expended in the matter of the erection or improvement of any public building or structure, or the
2 purchase of any real property at the state institution of which the person is president,
3 superintendent, or managing officer, any sum in excess of the appropriation therefor as made
4 by the legislative assembly.

5 **SECTION 125. AMENDMENT.** Section 54-27-27 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **54-27-27. Report on federal grant applications by state agency.**

8 Each state agency, excluding entities under the control of ~~the state board of a~~ higher
9 education governing board, shall report to the office of management and budget before applying
10 for a federal grant for which the agency may receive estimated funding of twenty-five thousand
11 dollars or more. The report must include the purpose of the grant; the potential amount of the
12 grant; any additional employees that may be required because of the grant; the time period
13 covered by the grant; and grant requirements, including state matching requirements or
14 maintenance of effort. The state agency shall provide updates on the status of the grant
15 application as required by the office of management and budget. At each meeting of the budget
16 section of the legislative management, the office of management and budget shall report to the
17 budget section on the reports received from state agencies under this section.

18 **SECTION 126. AMENDMENT.** Subsection 1 of section 54-27-27.1 of the North Dakota
19 Century Code is amended and reenacted as follows:

- 20 1. Biennially, each executive branch state agency, excluding entities under the control of
21 ~~the state board of a~~ higher education governing board, receiving federal funds, shall
22 report to the office of management and budget a plan to operate the state agency
23 when federal funds are reduced by five percent or more of the total federal funds the
24 state agency receives. The report must include information on whether the agency will
25 request state funds to offset the decrease in federal funds. The report is not required
26 to address a reduction in federal funds received by the agency which is a result of:
- 27 a. A decrease in caseloads or cost per case;
 - 28 b. A change in the anticipated project completion date for a construction project
29 qualifying for federal fund reimbursement; or
 - 30 c. The completion of a one-time project funded in whole or in part by federal funds.

1 **SECTION 127. AMENDMENT.** Section 54-27-27.2 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-27-27.2. Federal funding requirements - State agency analysis.**

4 Each state agency, excluding entities under the control of ~~the state board of a~~ higher
5 education governing board, prior to applying for or accepting federal grant funds, shall:

- 6 1. Consider the federal requirements that the state must comply with as a condition of
7 receipt of the federal funds;
- 8 2. Determine that acceptance of the federal funds does not subject the state to undue
9 federal oversight or regulations; and
- 10 3. Determine that the federal requirements are not in conflict with legislative intent.

11 **SECTION 128. AMENDMENT.** Section 54-35-15.2 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **54-35-15.2. Information technology committee - Powers and duties.**

14 The information technology committee has continuing existence and may meet and conduct
15 its business during the legislative session and in the interim between sessions. The committee
16 shall:

- 17 1. Meet at least once each calendar quarter.
- 18 2. Receive a report from the chief information officer of the state at each meeting.
- 19 3. Review the business plan of the information technology department.
- 20 4. Review macro-level issues relating to information technology.
- 21 5. Review the activities of the information technology department.
- 22 6. Review statewide information technology standards.
- 23 7. Review the statewide information technology plan.
- 24 8. Review information technology efficiency and security.
- 25 9. Review established or proposed information technology programs and information
26 technology acquisition by the executive and judicial branches.
- 27 10. Except as provided in subsection 11, receive and review information, including a
28 project startup report summarizing the project description, project objectives, business
29 need or problem, cost-benefit analysis, and project risks and a project closeout report
30 summarizing the project objectives achieved, project budget and schedule variances,
31 and lessons learned, from the information technology department and the affected

1 agency regarding any major information technology project of an executive branch
2 agency. For the purposes of this subsection, a major project is a project with a total
3 cost of five hundred thousand dollars or more.

- 4 11. a. Receive and review information, including a project startup report summarizing
5 the project description, project objectives, business need or problem, cost-benefit
6 analysis, and project risks and a project closeout report summarizing the project
7 objectives achieved, project budget and schedule variances, and lessons
8 learned, from the ~~state board~~office of higher education regarding any major
9 project of the ~~state board~~office of higher education or any institution under the
10 control of the ~~state board of~~ a higher education governing board if the project:

- 11 (1) Significantly impacts the statewide wide area network, including the campus
12 access routers;
13 (2) Impacts the statewide library system; or
14 (3) Is an administrative project. An administrative project is a project that
15 directly collects, aggregates, modifies, stores, or reports institutional
16 student, financial, or human resources records or data and is provided
17 primarily for administrative purposes.

- 18 b. For the purposes of this subsection, a major project is a project with a total cost
19 of five hundred thousand dollars or more.

- 20 12. Receive and review information from the information technology department and the
21 affected agency regarding any information technology project of an executive branch
22 agency with a total cost of between one hundred thousand and five hundred thousand
23 dollars as determined necessary by the information technology department.

- 24 13. Receive a report from the chief information officer regarding the recommendations of
25 the state information technology advisory committee relating to the prioritization of
26 proposed major information technology projects and other information technology
27 issues.

- 28 14. Receive and review information, including a project startup report summarizing the
29 project description, project objectives, business need or problem, cost-benefit
30 analysis, and project risks and a project closeout report summarizing the project
31 objectives achieved, project budget and schedule variances, and lessons learned,

1 from the affected legislative or judicial branch agency regarding any information
2 technology project of the legislative or judicial branch with a total cost of five hundred
3 thousand dollars or more.

4 15. Receive information from the ~~state board~~office of higher education regarding higher
5 education information technology planning, services, and major projects.

6 **SECTION 129. AMENDMENT.** Section 54-44.1-04 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **54-44.1-04. Budget estimates of budget units filed with the office of the budget -**
9 **Deadline.**

10 The head of each budget unit, not later than July fifteenth of each year next preceding the
11 session of the legislative assembly, shall submit to the office of the budget, estimates of
12 financial requirements of the person's budget unit for the next two fiscal years, on the forms and
13 in the manner prescribed by the office of the budget, with ~~such~~the explanatory data as is
14 required by the office of the budget and ~~such~~ additional data as the head of the budget unit
15 wishes to submit. The estimates of financial requirements for budget units under the control of
16 ~~the state board of a~~ higher education governing board must be made using the same forms,
17 supporting information, and documentation as other budget units. Any request for a new
18 full-time or part-time permanent position included in a budget unit's estimate of its financial
19 requirements for the next two fiscal years must include documentation justifying the need for the
20 position. The documentation must describe the circumstances resulting in the need for the
21 position and identify the number of hours the position will be involved in specific types of
22 activities and the anticipated outcomes of the activities. The estimates ~~so~~ submitted must bear
23 the approval of the board or commission of each budget unit for which a board or commission is
24 constituted. The director of the budget may extend the filing date for any budget unit if the
25 director finds there is some circumstance that makes it advantageous to authorize the
26 extension. If a budget unit has not submitted its estimate of financial requirements by the
27 required date or within a period of extension set by the director of the budget, the director of the
28 budget shall prepare the budget unit's estimate of financial requirements except the estimate
29 may not exceed ninety percent of the budget unit's previous biennial appropriation. The director
30 of the budget or a subordinate officer ~~as~~designated by the director ~~shall designate~~ shall
31 examine the estimates and shall afford to the heads of budget units reasonable opportunity for

1 explanation in regard thereto ~~regarding the estimates~~ and, when requested, shall grant to the
2 heads of budget units a hearing ~~thereon which must be on the estimates which is~~ open to the
3 public.

4 **SECTION 130. AMENDMENT.** Subsection 4 of section 54-44.1-06 of the North Dakota
5 Century Code is amended and reenacted as follows:

6 4. Detailed comparative statements of expenditures and requests for appropriations by
7 funds, budget units and classification of expenditures, showing the expenditures for
8 the previous biennium, the first fiscal year of the present biennium, the budget of the
9 current biennium, and the governor's recommendation for appropriations for each
10 budget unit for the next biennium, all distributed according to the prescribed
11 classification of expenditures. Following the lists of actual and proposed expenditures
12 of each budget unit there must be a brief explanation of the functions of the unit and
13 comments on its policies and plans and on any considerable differences among the
14 amounts recommended, with any descriptive, quantitative, comparative, and other
15 data as to work done, unit costs, and like information as may be considered necessary
16 or desirable. For capital outlay expenditures involving construction projects to be
17 completed in two or more fiscal years, there must be shown the total estimated cost of
18 each such project and the amount thereof recommended to be appropriated and
19 expended in each ensuing fiscal year until completion of the project. Capital outlay
20 needs may be projected for at least two years beyond the period covered by the
21 budget. The detailed comparative statements of budget units under the control of ~~the~~
22 ~~state board of a~~ higher education governing board must include the same information
23 presented for other budget units.

24 **SECTION 131. AMENDMENT.** Subsection 8 of section 54-44.3-20 of the North Dakota
25 Century Code is amended and reenacted as follows:

26 8. Employees of the institutions of higher education under the control of ~~the state board~~
27 ~~of a~~ higher education governing board.

28 **SECTION 132. AMENDMENT.** Section 54-44.4-11 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **54-44.4-11. Small purchases.**

- 2 1. A procurement not exceeding the amount established by written directive of the
3 director of the office of management and budget or by ~~the state board of a~~ higher
4 education governing board under subdivision v of subsection 51 of section
5 ~~15-10-17~~15-10.5-09 may be made in accordance with small purchase procedures.
6 2. A small purchase need not be made through competitive sealed bidding or competitive
7 sealed proposals. However, small purchases must be made with competition that is
8 practicable under the circumstances.
9 3. Procurement requirements may not be artificially divided as to constitute a small
10 purchase under this section.

11 **SECTION 133. AMENDMENT.** Subsections 1 and 2 of section 54-44.4-13 of the North
12 Dakota Century Code are amended and reenacted as follows:

- 13 1. The office of management and budget shall purchase commodities or services as
14 requested by agencies and institutions under the ~~jurisdiction of the state board control~~
15 of higher education governing boards and the legislative and judicial branches of state
16 government.
17 2. The office of management and budget and the agencies and institutions under the
18 ~~jurisdiction control of the state board of~~ higher education governing boards shall make
19 joint purchases of like commodities or services of high common usage when the office
20 of management and budget and the ~~state board of~~ relevant higher education governing
21 board determine it is in the best interest of the state.

22 **SECTION 134. AMENDMENT.** Subsection 1 of section 54-46-02 of the North Dakota
23 Century Code is amended and reenacted as follows:

- 24 1. "Agency" means any department, office, commission, board, or other unit, however
25 designated, of the executive branch of state government, including the ~~state board of~~
26 higher education advisory committee, office of higher education, higher education
27 governing boards, and the ~~entities~~institutions under the control of the ~~state board of~~
28 higher education governing boards.

29 **SECTION 135. AMENDMENT.** Subsection 3 of section 54-52.6-01 of the North Dakota
30 Century Code is amended and reenacted as follows:

1 3. "Eligible employee" means a permanent state employee, except an employee of the
2 judicial branch or an employee of the ~~board of higher education advisory committee,~~
3 ~~office of higher education, higher education governing boards,~~ and state institutions
4 ~~under the jurisdiction of the board of higher education,~~ who is eighteen years or more
5 of age and who is in a position not classified by North Dakota human resource
6 management services. If a participating member loses permanent employee status
7 and becomes a temporary employee, the member may still participate in the defined
8 contribution retirement plan.

9 **SECTION 136. AMENDMENT.** Subsection 1 of section 54-57-03 of the North Dakota
10 Century Code is amended and reenacted as follows:

11 1. Notwithstanding the authority granted in chapter 28-32 allowing agency heads or other
12 persons to preside in an administrative proceeding, all adjudicative proceedings of
13 administrative agencies under chapter 28-32, except those of the public service
14 commission, the industrial commission, the insurance commissioner, the state
15 engineer, the department of transportation, job service North Dakota, and the labor
16 commissioner, must be conducted by the office of administrative hearings in
17 accordance with the adjudicative proceedings provisions of chapter 28-32 and any
18 rules adopted pursuant to chapter 28-32. But, appeals hearings pursuant to section
19 61-03-22 and drainage appeals from water resource boards to the state engineer
20 pursuant to chapter 61-32 must be conducted by the office of administrative hearings.
21 Additionally, hearings of the department of corrections and rehabilitation for the parole
22 board in accordance with chapter 12-59, regarding parole violations; job discipline and
23 dismissal appeals to the ~~board of a~~ higher education governing board; Individuals With
24 Disabilities Education Act and section 504 due process hearings of the superintendent
25 of public instruction; and chapter 37-19.1 veterans' preferences hearings for any
26 agency must be conducted by the office of administrative hearings in accordance with
27 applicable laws.

28 **SECTION 137. AMENDMENT.** Section 54-59-02.1 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **54-59-02.1. Prioritization of proposed major information technology projects.**

2 The department shall submit information regarding proposed major information technology
3 projects for executive branch state agencies, departments, and institutions, excluding
4 institutions under control of ~~the state board of higher education governing boards~~ and agencies
5 of the judicial and legislative branches, to the state information technology advisory committee.
6 The committee shall review the projects and rank those projects that receive the committee's
7 affirmative recommendation. The chief information officer shall submit recommendations of the
8 committee regarding the prioritization of major information technology projects to the
9 information technology committee, the office of management and budget, and the
10 appropriations committees of the legislative assembly. The judicial and legislative branches
11 shall notify biennially the committee on their major information technology projects and
12 priorities.

13 **SECTION 138. AMENDMENT.** Section 54-59-05 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **54-59-05. Powers and duties of department. (Effective through July 31, 2023)**

16 The department:

- 17 1. Shall provide, supervise, and regulate information technology of all executive branch
18 state entities, excluding the higher education advisory committee, office of higher
19 education, higher education governing boards, and institutions under the control of the
20 ~~board of higher education governing boards.~~
- 21 2. Shall provide network services in a way that ensures the network requirements of a
22 single entity do not adversely affect the functionality of the whole network, facilitates
23 open communications with the citizens of the state, minimizes the state's investment in
24 human resources, accommodates an ever-increasing amount of traffic, supports rapid
25 detection and resolution of problems, protects the network infrastructure from damage
26 and security breaches, provides for the aggregation of data, voice, video, and
27 multimedia into a statewide transport mechanism or backbone, and provides for the
28 network support for the entity to carry out its mission.
- 29 3. May review and approve additional network services that are not provided by the
30 department.

- 1 4. May purchase, finance the purchase, or lease equipment, software, or implementation
2 services or replace, including by trade or resale, equipment or software as may be
3 necessary to carry out this chapter. With the exception of agreements entered related
4 to the statewide interoperable radio network, an agreement to finance the purchase of
5 software, equipment, or implementation services may not exceed a period of five
6 years. The department shall submit any intended financing proposal for the purchase
7 of software, equipment, or implementation services under this subsection, which is in
8 excess of one million dollars, to the budget section of the legislative management or
9 the legislative assembly before executing a financing agreement. If the budget section
10 or the legislative assembly does not approve the execution of a financing agreement,
11 the department may not proceed with the proposed financing arrangement. With the
12 exception of financing for the statewide interoperable radio network, the department
13 may finance the purchase of software, equipment, or implementation services only to
14 the extent the purchase amount does not exceed seven and one-half percent of the
15 amount appropriated to the department during that biennium.
- 16 5. Shall review requests for lease, purchase, or other contractual acquisition of
17 information technology as required by this subsection. Each executive branch agency
18 or institution, excluding the institutions under the control of ~~the board of~~ higher
19 education governing boards, shall submit to the department, in accordance with
20 guidelines established by the department, a written request for the lease, purchase, or
21 other contractual acquisition of information technology. The department shall review
22 requests for conformance with the requesting entity's information technology plan and
23 compliance with statewide policies and standards. If the request is not in conformance
24 or compliance, the department may disapprove the request or require justification for
25 the departure from the plan or statewide policy or standard.
- 26 6. Shall provide information technology, including assistance and advisory service, to the
27 executive, legislative, and judicial branches. If the department is unable to fulfill a
28 request for service from the legislative or judicial branch, the information technology
29 may be procured by the legislative or judicial branch within the limits of legislative
30 appropriations.

- 1 7. Shall request and review information, including project startup information
2 summarizing the project description, project objectives, business need or problem,
3 cost-benefit analysis, and project risks and a project closeout information summarizing
4 the project objectives achieved, project budget and schedule variances, and lessons
5 learned, regarding any major information technology project of an executive branch
6 agency. The department shall present the information to the information technology
7 committee on request of the committee.
- 8 8. May request and review information regarding any information technology project of
9 an executive branch agency with a total cost of between one hundred thousand and
10 five hundred thousand dollars as determined necessary by the department. The
11 department shall present the information to the information technology committee on
12 request of the committee.
- 13 9. Shall study emerging technology and evaluate its impact on the state's system of
14 information technology.
- 15 10. Shall develop guidelines for reports to be provided by each agency of the executive,
16 legislative, and judicial branches, excluding the institutions under the control of the
17 board of higher education, on information technology in those entities.
- 18 11. Shall collaborate with the ~~state board~~office of higher education on guidelines for
19 reports to be provided by the office of higher education and institutions under the
20 control of ~~the state board~~ of higher education governing boards on information
21 technology in those entities.
- 22 12. Shall perform all other duties necessary to carry out this chapter.
- 23 13. May provide wide area network services to a state agency, city, county, school district,
24 or other political subdivision of this state. The information technology department may
25 not provide wide area network service to any private, charitable, or nonprofit entity
26 except the information technology department may continue to provide the wide area
27 network service the department provided to the private, charitable, and nonprofit
28 entities receiving services from the department on January 1, 2003.
- 29 14. Shall assure proper measures for security, firewalls, and internet protocol addressing
30 at the state's interface with other facilities.

1 15. Notwithstanding subsection 13, may provide wide area network services for a period
2 not to exceed four years to an occupant of a technology park associated with an
3 institution of higher education or to a business located in a business incubator
4 associated with an institution of higher education.

5 **Powers and duties of department. (Effective after July 31, 2023)**

6 The department:

- 7 1. Shall provide, supervise, and regulate information technology of all executive branch
8 state entities, excluding the higher education advisory committee, office of higher
9 education, higher education governing boards, and institutions under the control of the
10 board of higher education governing boards.
- 11 2. Shall provide network services in a way that ensures the network requirements of a
12 single entity do not adversely affect the functionality of the whole network, facilitates
13 open communications with the citizens of the state, minimizes the state's investment in
14 human resources, accommodates an ever-increasing amount of traffic, supports rapid
15 detection and resolution of problems, protects the network infrastructure from damage
16 and security breaches, provides for the aggregation of data, voice, video, and
17 multimedia into a statewide transport mechanism or backbone, and provides for the
18 network support for the entity to carry out its mission.
- 19 3. May review and approve additional network services that are not provided by the
20 department.
- 21 4. May purchase, finance the purchase, or lease equipment, software, or implementation
22 services or replace, including by trade or resale, equipment or software as may be
23 necessary to carry out this chapter. An agreement to finance the purchase of software,
24 equipment, or implementation services may not exceed a period of five years. The
25 department shall submit any intended financing proposal for the purchase of software,
26 equipment, or implementation services under this subsection, which is in excess of
27 one million dollars, to the budget section of the legislative management or the
28 legislative assembly before executing a financing agreement. If the budget section or
29 the legislative assembly does not approve the execution of a financing agreement, the
30 department may not proceed with the proposed financing arrangement. The
31 department may finance the purchase of software, equipment, or implementation

1 services only to the extent the purchase amount does not exceed seven and one-half
2 percent of the amount appropriated to the department during that biennium.

3 5. Shall review requests for lease, purchase, or other contractual acquisition of
4 information technology as required by this subsection. Each executive branch agency
5 or institution, excluding the institutions under the control of ~~the board of~~ higher
6 education governing boards, shall submit to the department, in accordance with
7 guidelines established by the department, a written request for the lease, purchase, or
8 other contractual acquisition of information technology. The department shall review
9 requests for conformance with the requesting entity's information technology plan and
10 compliance with statewide policies and standards. If the request is not in conformance
11 or compliance, the department may disapprove the request or require justification for
12 the departure from the plan or statewide policy or standard.

13 6. Shall provide information technology, including assistance and advisory service, to the
14 executive, legislative, and judicial branches. If the department is unable to fulfill a
15 request for service from the legislative or judicial branch, the information technology
16 may be procured by the legislative or judicial branch within the limits of legislative
17 appropriations.

18 7. Shall request and review information, including project startup information
19 summarizing the project description, project objectives, business need or problem,
20 cost-benefit analysis, and project risks and a project closeout information summarizing
21 the project objectives achieved, project budget and schedule variances, and lessons
22 learned, regarding any major information technology project of an executive branch
23 agency. The department shall present the information to the information technology
24 committee on request of the committee.

25 8. May request and review information regarding any information technology project of
26 an executive branch agency with a total cost of between one hundred thousand and
27 five hundred thousand dollars as determined necessary by the department. The
28 department shall present the information to the information technology committee on
29 request of the committee.

30 9. Shall study emerging technology and evaluate its impact on the state's system of
31 information technology.

- 1 10. Shall develop guidelines for reports to be provided by each agency of the executive,
2 legislative, and judicial branches, excluding the institutions under the control of the
3 board of higher education, on information technology in those entities.
- 4 11. Shall collaborate with the ~~state board~~office of higher education on guidelines for
5 reports to be provided by the office of higher education and institutions under the
6 control of ~~the state board~~ of higher education governing boards on information
7 technology in those entities.
- 8 12. Shall perform all other duties necessary to carry out this chapter.
- 9 13. May provide wide area network services to a state agency, city, county, school district,
10 or other political subdivision of this state. The information technology department may
11 not provide wide area network service to any private, charitable, or nonprofit entity
12 except the information technology department may continue to provide the wide area
13 network service the department provided to the private, charitable, and nonprofit
14 entities receiving services from the department on January 1, 2003.
- 15 14. Shall assure proper measures for security, firewalls, and internet protocol addressing
16 at the state's interface with other facilities.
- 17 15. Notwithstanding subsection 13, may provide wide area network services for a period
18 not to exceed four years to an occupant of a technology park associated with an
19 institution of higher education or to a business located in a business incubator
20 associated with an institution of higher education.

21 **SECTION 139. AMENDMENT.** Section 54-59-07 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **54-59-07. State information technology advisory committee.**

24 The state information technology advisory committee consists of the chief information
25 officer; the ~~commissioner~~ of higher education administrator or the ~~commissioner's~~administrator's
26 designee; the attorney general or the attorney general's designee; the secretary of state or the
27 secretary of state's designee; the tax commissioner or the commissioner's designee; the chief
28 justice of the supreme court or the chief justice's designee; two members of the legislative
29 assembly appointed by the legislative management; a minimum of eight members representing
30 state agencies, appointed by the governor; and two members with technology management
31 expertise representing private industry, appointed by the governor. The appointees of the

1 governor serve at the pleasure of the governor. The governor shall designate the chairman of
2 the committee. Additional members may be asked to participate at the request of the chairman.
3 The department shall provide staff services to the committee. The members of the committee
4 representing private industry are entitled to be compensated for time spent in attendance at
5 meetings of the committee and for other travel as approved by the chairman of the committee at
6 the rate of sixty-two dollars and fifty cents per day and are entitled to reimbursement for actual
7 and necessary expenses incurred in the same manner as other state officials. The
8 compensation and expenses are to be paid from appropriations for the department. The
9 committee shall advise the department regarding statewide information technology planning
10 and budgeting, services of the information technology department, and statewide information
11 technology initiatives and policy and shall review reports on major information technology
12 projects as required by this chapter and policies, standards, and guidelines developed by the
13 department. The chief information officer shall submit recommendations of the committee
14 regarding information technology issues to the information technology committee for its
15 consideration.

16 **SECTION 140. AMENDMENT.** Section 54-59-11.1 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **54-59-11.1. Information technology project planning.**

19 Each executive branch state agency, excluding entities under the control of ~~the state board~~
20 of higher education governing boards, considering the development of an information
21 technology project with an estimated cost of one hundred thousand dollars or more shall involve
22 the information technology department in the planning and study of the project. A state agency
23 must receive a recommendation from the information technology department prior to
24 proceeding with any study relating to the project.

25 **SECTION 141. AMENDMENT.** Section 54-59-12 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **54-59-12. Coordination of activities - Reports.**

28 The department shall cooperate with each state entity providing access to any computer
29 database or electronically filed or stored information under subsection 4 of section 44-04-18 to
30 assist in providing economical, efficient, and compatible access. The chief information officer
31 shall conduct conferences and meetings with political subdivisions to review and coordinate

1 information technology. The chief information officer and the chief information officer of the
2 ~~North Dakota university system~~office of higher education shall meet at least twice each year to
3 plan and coordinate their information technology. The chief information officer and the chief
4 information officer of the ~~North Dakota university system~~office of higher education shall consider
5 areas in which joint or coordinated information technology may result in more efficient and
6 effective state government operations. Upon request, the chief information officer shall report to
7 the legislative management regarding the coordination of services with political subdivisions,
8 and the chief information officer and the chief information officer of the ~~North Dakota university-~~
9 ~~system~~office of higher education shall report to the legislative management regarding their
10 findings and recommendations.

11 **SECTION 142. AMENDMENT.** Subdivision c of subsection 2 of section 54-59-17 of the
12 North Dakota Century Code is amended and reenacted as follows:

13 c. The ~~commissioner of higher education~~ administrator or the
14 ~~commissioner's~~administrator's designee.

15 **SECTION 143. AMENDMENT.** Section 54-59-22 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **54-59-22. Required use of electronic mail, file and print server administration,
18 database administration, application server, and hosting services.**

19 Each state agency and institution, excluding the legislative and judicial branches, the higher
20 education advisory committee, office of higher education, institutions under the control of the
21 ~~state board of higher education~~ governing boards, the attorney general, and any entity
22 exempted by the office of management and budget after advisement by the information
23 technology department, shall obtain electronic mail, file and print server administration,
24 database administration, storage, application server, and hosting services through a delivery
25 system established by the information technology department in conjunction with the office of
26 management and budget. The office of management and budget, after receiving advice from
27 the information technology department, shall establish policies and guidelines for the delivery of
28 services, including the transition from existing systems to functional consolidation, with
29 consideration given to the creation of efficiencies, cost-savings, and improved quality of service.

30 **SECTION 144. AMENDMENT.** Subdivision e of subsection 1 of section 54-59-22.1 of the
31 North Dakota Century Code is amended and reenacted as follows:

1 e. ~~North Dakota university system office~~Office of higher education.

2 **SECTION 145. AMENDMENT.** Subsection 1 of section 54-59-23 of the North Dakota
3 Century Code is amended and reenacted as follows:

4 1. An executive, legislative, or judicial branch agency, except for institutions under the
5 control of ~~the state board of~~ higher education governing boards, shall report to the
6 state information technology advisory committee according to guidelines developed by
7 the department and reviewed by the state information technology advisory committee
8 regarding the plan for and status of any information technology project that is
9 estimated to cost more than five hundred thousand dollars.

10 **SECTION 146. AMENDMENT.** Subsection 1 of section 54-59-32 of the North Dakota
11 Century Code is amended and reenacted as follows:

12 1. An executive branch state agency, excluding institutions under the control of ~~the state-~~
13 ~~board of a~~ higher education governing board, proposing to conduct a major information
14 technology project as described in subsection 10 of section 54-35-15.2, the
15 department, and the office of management and budget, in consultation with the
16 attorney general, shall collaborate on the procurement, contract negotiation, and
17 contract administration of the project. The agency, the department, and the office of
18 management and budget, in consultation with the attorney general, shall approve the
19 solicitation, contract, or agreement, and any amendments relating to the project before
20 submission to the executive steering committee as provided in subsection 3.

21 **SECTION 147. AMENDMENT.** Subdivision f of subsection 4 of section 54-59-34 of the
22 North Dakota Century Code is amended and reenacted as follows:

23 f. Require the provision of annual training regarding data protection to any
24 individuals who have access to the statewide longitudinal data system, including
25 school district employees, employees of the ~~North Dakota university system-~~
26 ~~office of~~ higher education, higher education governing boards, and institutions
27 under the control of ~~the state board of~~ higher education governing boards, and
28 elected or appointed state or local governmental officials.

29 **SECTION 148. AMENDMENT.** Section 54-60-06 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **54-60-06. Commerce cabinet.**

2 The North Dakota commerce cabinet is created. The cabinet is composed of the directors of
3 each of the department divisions and of the executive heads, or other authorized
4 representatives, of the state board for career and technical education, the ~~state board~~office of
5 higher education, the Bank of North Dakota, the department of agriculture, workforce safety and
6 insurance, the department of transportation, job service North Dakota, the game and fish
7 department, and of any other state agency appointed by the commissioner. The commissioner
8 is the chairman of the cabinet and shall determine which agencies are members of the cabinet.
9 The cabinet shall:

- 10 1. Coordinate and communicate economic development and tourism efforts of the
11 agencies represented.
12 2. Meet at times determined by the commissioner.

13 **SECTION 149. AMENDMENT.** Subdivision a of subsection 1 of section 54-60-19 of the
14 North Dakota Century Code is amended and reenacted as follows:

- 15 a. Consult with partners in the state's system for workforce development, workforce
16 training, and talent attraction, including job service North Dakota, the department
17 of career and technical education, the superintendent of public instruction, the
18 ~~state board~~office of higher education, the department of human services, and
19 other divisions of the department of commerce.

20 **SECTION 150. AMENDMENT.** Section 54-60-26 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **54-60-26. Division of workforce development - Annual reports - North Dakota**
23 **workforce development council - Budget acceptance.**

- 24 1. Annually, job service North Dakota, the department of career and technical education,
25 the department, and the ~~state board~~office of higher education each shall submit a
26 report to the division of workforce development relating to the respective agency's
27 current workforce initiatives and activities and that agency's plan for future workforce
28 initiatives and activities. The division of workforce development shall consider these
29 reports in preparing the consolidated biennial statewide strategic plan for the state's
30 system for workforce development, workforce training, and talent attraction required
31 under section 54-60-19.

1 2. Before November first of each even-numbered year, job service North Dakota, the
2 department of career and technical education, the department, and the state-
3 ~~board~~office of higher education each shall present the respective agency's
4 workforce-related budget initiatives for the upcoming biennium, including alignment of
5 these initiatives with the consolidated biennial statewide strategic plan, to the North
6 Dakota workforce development council, created by governor's executive order
7 1995-01, dated January 3, 1996. The North Dakota workforce development council
8 members shall consider potential areas for collaboration.

9 **SECTION 151. AMENDMENT.** Subdivision h of subsection 1 of section 54-63-03 of the
10 North Dakota Century Code is amended and reenacted as follows:

11 h. Fund technical assistance from ~~the university system~~institutions under the control
12 of higher education governing boards and private entities to producers.

13 **SECTION 152. AMENDMENT.** Subsection 6 of section 54-65-01 of the North Dakota
14 Century Code is amended and reenacted as follows:

15 6. "Research university" means an institution under the control of the ~~state board of~~
16 ~~higher education~~research university governing board which has a full-time student
17 enrollment in excess of nine thousand students.

18 **SECTION 153. AMENDMENT.** Subsection 6 of section 54-65-02 of the North Dakota
19 Century Code is amended and reenacted as follows:

20 6. The ~~board~~ rules adopted under subdivision z of subsection 91 of section ~~15-10-~~
21 ~~47~~15-10.5-09, relating to ownership of intellectual property, inventions, and
22 discoveries, must address activities and issues unique to centers.

23 **SECTION 154. AMENDMENT.** Section 65-05.1-06.3 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **65-05.1-06.3. Rehabilitation services pilot programs - Reports.**

26 The organization may implement a system of pilot programs to allow the organization to
27 assess alternative methods of providing rehabilitation services. A pilot program may address
28 one or more of the organization's comprehensive rehabilitation services, including vocational,
29 medical, psychological, economic, and social rehabilitation services. The goal of a pilot program
30 must be to improve the outcome of the rehabilitation services offered by the organization to
31 assist the injured employee in making adjustments necessitated from the employee's injury and

1 to improve the effectiveness of vocational rehabilitation services in returning an employee to
2 substantial gainful employment. Notwithstanding laws to the contrary, a pilot program may
3 address a broad range of approaches, including collaborative efforts between the organization
4 and the injured employee through which there are variances from the rehabilitation services
5 hierarchy; return-to-work trial periods during which cash benefits are suspended; intensive job
6 search assistance; recognition of and focused services for injured employees who are at risk;
7 and coordination of services of public and private entities. If a pilot program utilizes coordination
8 of services of other state agencies, such as job service North Dakota, department of human
9 services, ~~North Dakota university system~~ institutions under the control of higher education
10 governing boards, or department of public instruction, the organization shall consult with the
11 state agency in establishing the relevant portions of the pilot program and the state agency shall
12 cooperate with the organization in implementing the pilot program. The organization shall
13 include in its biennial report to the workers' compensation review committee under section
14 54-35-22 status reports on current pilot programs.

15 **SECTION 155. REPEAL.** Chapter 15-10 of the North Dakota Century Code is repealed.

16 **SECTION 156. CONTINGENT EFFECTIVE DATE.** This Act becomes effective on the date
17 the proposed amendments to article VIII of the Constitution of North Dakota as contained in
18 House Concurrent Resolution XXXX, as agreed to by the sixty-sixth legislative assembly and
19 approved by the electors, becomes effective.