

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1003**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota
2 university system; to provide an appropriation to the Bank of North Dakota; to create and enact
3 a new section to chapter 6-09, three new sections to chapter 15-10, section 15-10-48.2, and
4 section 15-18.2-06.1 of the North Dakota Century Code, relating to an economic diversification
5 research fund, matching grants for agricultural research and extension, a report on higher
6 education trends, disclosure of financial condition, and a minimum amount payable; to amend
7 and reenact sections 15-10-38.1, 15-10-38.2, 15-10-38.3, subdivision c of subsection 1 of
8 section 15-10-48, subdivision c of subsection 1 of section 15-10-49, subsection 2 of section
9 15-10-49, sections 15-10-57 and 15-10-63, subdivision k of subsection 1 of section 15-18.2-02,
10 subsection 1 of section 15-18.2-05, section 15-54.1-02, subsection 1 of section 15-62.4-03,
11 subdivision c of subsection 2 of section 54-07-12, and section 54-44.1-11 of the North Dakota
12 Century Code, relating to the skilled workforce student loan repayment program, the skilled
13 workforce scholarship program, matching grants for the advancement of academics, the
14 workforce development council, higher education capital projects, state aid for institutions of
15 higher education, the university system capital building fund, student financial assistance
16 grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of
17 unexpended appropriations; to repeal sections 15-10-48.1 and 15-10-58 of the North Dakota
18 Century Code, relating to matching grants for legal education, the definition of the advancement
19 of academics, and the workforce education advisory council; to provide for a transfer; to provide
20 for a legislative management study; to provide for a report; to provide an exemption; to provide
21 legislative intent; and to declare an emergency.

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

23 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
24 as may be necessary, are appropriated out of any moneys in the general fund in the state

1 treasury, not otherwise appropriated, and from special funds derived from federal funds and
2 other income, to the state board of higher education and to the entities and institutions under
3 the supervision of the board for the purpose of defraying the expenses of the state board of
4 higher education and the entities and institutions under the control of the board, for the
5 biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

6 Subdivision 1.

7 NORTH DAKOTA UNIVERSITY SYSTEM

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10 Capital assets - bond payments	\$13,385,264	(\$2,187,368)	\$11,197,896
11 Competitive research programs	5,685,750	0	5,685,750
12 System governance	8,605,570	3,266,239	11,871,809
13 Core technology services	62,962,817	6,881,654	69,844,471
14 Student financial assistance grants	23,917,306	6,000,000	29,917,306
15 Professional student exchange program	3,699,342	0	3,699,342
16 Academic and CTE scholarships	16,216,749	1,000,000	17,216,749
17 Scholars program	1,807,115	0	1,807,115
18 Native American scholarship	555,323	444,677	1,000,000
19 Tribally controlled community	1,000,000	400,000	1,400,000
20 college grants			
21 Education incentive programs	260,000	0	260,000
22 Student mental health	284,400	0	284,400
23 Veterans' assistance grants	277,875	177,000	454,875
24 Shared campus services	800,000	0	800,000
25 Nursing education consortium	1,356,000	0	1,356,000
26 NASA EPSCoR	342,000	0	342,000
27 Education challenge fund	0	20,000,000	20,000,000
28 Workforce education grants	0	10,000,000	10,000,000
29 Dual-credit tuition scholarship	1,500,000	0	1,500,000
30 Dakota digital academy	0	450,000	450,000
31 Severance agreements	<u>0</u>	<u>300,000</u>	<u>300,000</u>

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1	Total all funds	\$142,655,511	\$46,732,202	\$189,387,713
2	Less estimated income	<u>25,757,035</u>	<u>487,073</u>	<u>26,244,108</u>
3	Total general fund	\$116,898,476	\$46,245,129	\$163,143,605
4	Full-time equivalent positions	158.83	5.00	163.83

5 Subdivision 2.

6 BISMARCK STATE COLLEGE

7			Adjustments or	
8		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
9	Operations	\$100,571,387	\$7,699,688	\$108,271,075
10	Capital assets	1,922,561	12,400,000	14,322,561
11	Behavioral health initiative	<u>0</u>	<u>204,000</u>	<u>204,000</u>
12	Total all funds	\$102,493,948	\$20,303,688	\$122,797,636
13	Less estimated income	<u>70,409,893</u>	<u>10,869,688</u>	<u>81,279,581</u>
14	Total general fund	\$32,084,055	\$9,434,000	\$41,518,055
15	Full-time equivalent positions	332.90	2.43	335.33

16 Subdivision 3.

17 LAKE REGION STATE COLLEGE

18			Adjustments or	
19		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20	Operations	\$39,150,913	\$2,263,509	\$41,414,422
21	Capital assets	362,667	1,000,000	1,362,667
22	Minimum amount payable adjustment	0	569,686	569,686
23	Behavioral health initiative	<u>0</u>	<u>109,000</u>	<u>109,000</u>
24	Total all funds	\$39,513,580	\$3,942,195	\$43,455,775
25	Less estimated income	<u>25,271,428</u>	<u>2,257,339</u>	<u>27,528,767</u>
26	Total general fund	\$14,242,152	\$1,684,856	\$15,927,008
27	Full-time equivalent positions	115.76	4.83	120.59

28 Subdivision 4.

29 WILLISTON STATE COLLEGE

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

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1	Operations	\$34,044,304	\$2,929,048	\$36,973,352
2	Capital assets	1,261,968	43,913,939	45,175,907
3	Behavioral health initiative	<u>0</u>	<u>169,140</u>	<u>169,140</u>
4	Total all funds	\$35,306,272	\$47,012,127	\$82,318,399
5	Less estimated income	<u>24,019,535</u>	<u>45,011,392</u>	<u>69,030,927</u>
6	Total general fund	\$11,286,737	\$2,000,735	\$13,287,472
7	Full-time equivalent positions	101.29	1.54	102.83

8 Subdivision 5.

9 UNIVERSITY OF NORTH DAKOTA

10			Adjustments or	
11		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12	Operations	\$902,173,330	\$60,080,851	\$962,254,181
13	Capital assets	4,411,566	127,500,000	131,911,566
14	Minimum amount payable adjustment	0	616,332	616,332
15	National security initiative	0	9,000,000	9,000,000
16	Research network	0	3,201,100	3,201,100
17	Behavioral health initiative	<u>0</u>	<u>660,000</u>	<u>660,000</u>
18	Total all funds	\$906,584,896	\$201,058,283	\$1,107,643,179
19	Less estimated income	<u>755,657,771</u>	<u>156,803,837</u>	<u>912,461,608</u>
20	Total general fund	\$150,927,125	\$44,254,446	\$195,181,571
21	Full-time equivalent positions	2,059.98	0.58	2,060.56

22 Subdivision 6.

23 NORTH DAKOTA STATE UNIVERSITY

24			Adjustments or	
25		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
26	Operations	\$756,049,321	\$46,573,844	\$802,623,165
27	Capital assets	7,799,104	107,000,000	114,799,104
28	Minimum amount payable adjustment	0	4,537,253	4,537,253
29	Research network	0	3,201,100	3,201,100
30	Behavioral health initiative	<u>0</u>	<u>1,100,000</u>	<u>1,100,000</u>
31	Total all funds	\$763,848,425	\$162,412,197	\$926,260,622

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1	Less estimated income	<u>625,417,100</u>	<u>135,106,551</u>	<u>760,523,651</u>
2	Total general fund	\$138,431,325	\$27,305,646	\$165,736,971
3	Full-time equivalent positions	1,829.43	38.07	1,867.50
4	Subdivision 7.			

NORTH DAKOTA STATE COLLEGE OF SCIENCE

6			Adjustments or	
7		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
8	Operations	\$95,547,465	\$5,686,699	\$101,234,164
9	Capital assets	1,012,379	0	1,012,379
10	Minimum amount payable adjustment	0	1,005,347	1,005,347
11	Behavioral health initiative	<u>0</u>	<u>186,750</u>	<u>186,750</u>
12	Total all funds	\$96,559,844	\$6,878,796	\$103,438,640
13	Less estimated income	<u>60,845,052</u>	<u>2,639,567</u>	<u>63,484,619</u>
14	Total general fund	\$35,714,792	\$4,239,229	\$39,954,021
15	Full-time equivalent positions	311.61	2.34	313.95
16	Subdivision 8.			

DICKINSON STATE UNIVERSITY

18			Adjustments or	
19		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20	Operations	\$50,826,060	\$5,244,442	\$56,070,502
21	Capital assets	409,078	20,600,000	21,009,078
22	Behavioral health initiative	<u>0</u>	<u>327,000</u>	<u>327,000</u>
23	Total all funds	\$51,235,138	\$26,171,442	\$77,406,580
24	Less estimated income	<u>30,992,408</u>	<u>20,685,562</u>	<u>51,677,970</u>
25	Total general fund	\$20,242,730	\$5,485,880	\$25,728,610
26	Full-time equivalent positions	175.50	2.50	178.00
27	Subdivision 9.			

MAYVILLE STATE UNIVERSITY

29			Adjustments or	
30		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
31	Operations	\$50,603,276	\$5,068,561	\$55,671,837

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1	Capital assets	358,992	49,970,100	50,329,092
2	Behavioral health initiative	<u>0</u>	<u>308,734</u>	<u>308,734</u>
3	Total all funds	\$50,962,268	\$55,347,395	\$106,309,663
4	Less estimated income	<u>32,282,440</u>	<u>52,019,679</u>	<u>84,302,119</u>
5	Total general fund	\$18,679,828	\$3,327,716	\$22,007,544
6	Full-time equivalent positions	230.35	(3.43)	226.92
7	Subdivision 10.			

MINOT STATE UNIVERSITY

9			Adjustments or	
10		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
11	Operations	\$104,154,777	\$10,794,119	\$114,948,896
12	Capital assets	1,099,620	7,865,000	8,964,620
13	Behavioral health initiative	<u>0</u>	<u>170,000</u>	<u>170,000</u>
14	Total all funds	\$105,254,397	\$18,829,119	\$124,083,516
15	Less estimated income	<u>64,047,767</u>	<u>10,588,652</u>	<u>74,636,419</u>
16	Total general fund	\$41,206,630	\$8,240,467	\$49,447,097
17	Full-time equivalent positions	403.04	20.59	423.63
18	Subdivision 11.			

VALLEY CITY STATE UNIVERSITY

20			Adjustments or	
21		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22	Operations	\$50,083,400	\$5,135,290	\$55,218,690
23	Capital assets	455,823	22,000,000	22,455,823
24	Behavioral health initiative	<u>0</u>	<u>236,000</u>	<u>236,000</u>
25	Total all funds	\$50,539,223	\$27,371,290	\$77,910,513
26	Less estimated income	<u>26,377,846</u>	<u>23,684,575</u>	<u>50,062,421</u>
27	Total general fund	\$24,161,377	\$3,686,715	\$27,848,092
28	Full-time equivalent positions	202.77	9.17	211.94
29	Subdivision 12.			

DAKOTA COLLEGE AT BOTTINEAU

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		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
1			
2			
3	Operations	\$2,227,163	\$25,867,218
4	Capital assets	5,800,000	5,914,007
5	Behavioral health initiative	<u>170,000</u>	<u>170,000</u>
6	Total all funds	\$8,197,163	\$31,951,225
7	Less estimated income	<u>6,434,747</u>	<u>20,650,947</u>
8	Total general fund	\$1,762,416	\$11,300,278
9	Full-time equivalent positions	(7.86)	84.00

10 Subdivision 13.

11 UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12			
13			
14	Operations	\$19,850,819	\$238,103,877
15	Healthcare workforce initiative	<u>0</u>	<u>10,676,150</u>
16	Total all funds	\$19,850,819	\$248,780,027
17	Less estimated income	<u>7,107,862</u>	<u>167,914,111</u>
18	Total general fund	\$12,742,957	\$80,865,916
19	Full-time equivalent positions	(3.84)	488.83

20 Subdivision 14.

21 NORTH DAKOTA FOREST SERVICE

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22			
23			
24	Operations	\$9,318,100	\$24,661,165
25	Capital assets	<u>0</u>	<u>118,728</u>
26	Total all funds	\$9,318,100	\$24,779,893
27	Less estimated income	<u>8,471,957</u>	<u>19,141,272</u>
28	Total general fund	\$846,143	\$5,638,621
29	Full-time equivalent positions	1.00	29.00

30 Subdivision 15.

31 TOTAL - SECTION 1

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
1				
2				
3	Grand total general fund	\$686,328,526	\$171,256,335	\$857,584,861
4	Grand total special funds	<u>1,926,770,039</u>	<u>482,168,481</u>	<u>2,408,938,520</u>
5	Grand total all funds	\$2,613,098,565	\$653,424,816	\$3,266,523,381

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

SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding

items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the

2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
10			
11	Capital projects - strategic investment and improvements	\$0	\$205,727,053
12	fund		
13	Capital project inflation - general fund	0	13,160,000
14	Capital projects - other funds	4,363,000	179,161,986
15	University of North Dakota national security initiative	0	9,000,000
16	Additional hold harmless adjustment	0	6,728,618
17	Bismarck state college polytechnic building and transition	38,000,000	0
18	University of North Dakota space command initiative	4,000,000	0
19	University of North Dakota airport apron	5,000,000	0
20	University of North Dakota Merrifield hall	50,000,000	0
21	University of North Dakota space education and research	10,000,000	0
22	North Dakota state university settlement agreement	125,000	0
23	North Dakota state university high-performance computing	1,600,000	0
24	North Dakota state university agricultural products	50,000,000	0
25	development center		
26	Dickinson state university Pulver hall and other projects	4,000,000	0
27	Mayville state university natural gas boiler project	1,600,000	0
28	Minot state university Hartnett hall	25,000,000	0
29	Valley City state university land purchase	309,000	0
30	Hyperbaric oxygen therapy	2,104,121	0
31	Math pathways	150,000	0

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1	Higher education challenge grants	11,150,000	20,000,000
2	Dakota digital academy	475,000	450,000
3	Workforce education grants	0	10,000,000
4	Behavioral health initiative	0	3,640,624
5	Financial aid software	0	1,669,354
6	Severance agreement	<u>0</u>	<u>300,000</u>
7	Total all funds	\$207,876,121	\$449,837,635
8	Total other funds	<u>190,851,121</u>	<u>384,889,039</u>
9	Total general fund	\$17,025,000	\$64,948,596

10 The 2023-25 one-time funding amounts are not a part of the entity's base budget for the
11 2025-27 biennium. The state board of higher education shall report to the appropriations
12 committees of the sixty-ninth legislative assembly on the use of this one-time funding for the
13 biennium beginning July 1, 2023, and ending June 30, 2025.

14 **SECTION 3. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -**

15 **APPROPRIATION - EXEMPTION.** All funds, in addition to those appropriated in section 1 of
16 this Act, from federal, private, and other sources for competitive grants or other funds that the
17 legislative assembly has not indicated the intent to reject, including tuition revenue, received by
18 the state board of higher education and the institutions and entities under the control of the
19 state board of higher education, are appropriated to the board and those institutions and
20 entities, for the biennium beginning July 1, 2023, and ending June 30, 2025. All additional funds
21 received under the North Dakota-Minnesota reciprocity agreement during the biennium
22 beginning July 1, 2023, and ending June 30, 2025, are appropriated to the state board of higher
23 education for reimbursement to institutions under the control of the board. Notwithstanding
24 section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts
25 appropriated in sections 1 and 4 of this Act may spend those funds for the capital project.

26 **SECTION 4. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.** The
27 capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding
28 from the general fund for institution extraordinary repairs. An institution, excluding the university
29 of North Dakota and North Dakota state university, shall provide one dollar of matching funds
30 from operations or other sources for each one dollar of extraordinary repairs funding used for a
31 project. The university of North Dakota and North Dakota state university shall provide two

1 dollars of matching funds from operations or other sources for each one dollar of extraordinary
2 repairs funding used for a project.

3 **SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**

4 **FUND.** The grand total special funds line item in subdivision 15 of section 1 of this Act includes
5 \$205,727,053 from the strategic investment and improvements fund for capital projects as
6 follows:

7 Williston state college medical healthcare building	\$25,962,053
8 University of North Dakota science, engineering, and national security corridor	57,400,000
9 North Dakota state university center for engineering and computational sciences	59,000,000
10 Dickinson state university agriculture and technical education building	17,100,000
11 Mayville state university old main renovation	42,200,000
12 Minot state university Dakota hall demolition	765,000
13 Dakota college at Bottineau old main renovation	<u>3,300,000</u>
14 Total strategic investment and improvements fund	\$205,727,053

15 **SECTION 6. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - NORTH**

16 **DAKOTA STATE UNIVERSITY.** Of the funding appropriated in subdivision 1 of section 1 of
17 chapter 31 of the 2021 Session Laws for the biennium beginning July 1, 2021, and ending
18 June 30, 2023, that is continued pursuant to section 54-44.1-11, and any funds in the severance
19 agreements line item in subdivision 1 of section 1 of this Act, the state board of higher education
20 shall transfer \$367,000 to the operations line item in subdivision 6 of section 1 of this Act by
21 August 1, 2023. The North Dakota university system office may not assess institutions under
22 the control of the state board of higher education to recover the cost of this transfer.

23 **SECTION 7. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF**

24 **HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North
25 Dakota university system office a total of \$1,500,000 from the current earnings and
26 accumulated undivided profits of the Bank of North Dakota during the biennium beginning
27 July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education.
28 The estimated income line item in subdivision 1 of section 1 includes \$1,500,000 for the North
29 Dakota university system office for dual-credit tuition scholarships.

30 **SECTION 8. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED**

31 **WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial commission

1 shall transfer the sum of \$3,400,000 from the current earnings and accumulated undivided
2 profits of the Bank of North Dakota to the skilled workforce student loan repayment program
3 fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

4 **SECTION 9. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED**

5 **WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the sum of
6 \$3,400,000 from the current earnings and accumulated undivided profits of the Bank of North
7 Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023,
8 and ending June 30, 2025.

9 **SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER -**

10 **STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION**

11 **RESEARCH FUND.** The office of management and budget shall transfer \$10,000,000 from the
12 strategic investment and improvements fund to the economic diversification research fund, the
13 sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to
14 institutions under the control of the state board of higher education, for the biennium beginning
15 July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education.

16 **SECTION 11. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**

17 **UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget
18 shall transfer \$29,000,000 from the strategic investment and improvements fund to the
19 university system capital building fund during the biennium beginning July 1, 2023, and ending
20 June 30, 2025, as requested by the commissioner of higher education. Funding transferred
21 pursuant to this section is to be allocated to each institution as follows:

	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
23 Bismarck state college	\$851,386	\$500,000	\$1,351,386
24 Lake Region state college	354,750	500,000	854,750
25 Williston state college	275,894	500,000	775,894
26 University of North Dakota	8,723,602	2,250,000	10,973,602
27 North Dakota state university	5,799,192	2,250,000	8,049,192
28 North Dakota state college of science	1,001,390	500,000	1,501,390
29 Dickinson state university	537,724	500,000	1,037,724
30 Mayville state university	480,058	500,000	980,058
31 Minot state university	1,145,602	500,000	1,645,602

1	Valley City state university	618,274	500,000	1,118,274
2	Dakota college at Bottineau	<u>212,128</u>	<u>500,000</u>	<u>712,128</u>
3	Total	\$20,000,000	\$9,000,000	\$29,000,000

4 **SECTION 12. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding
5 from the respective institution's university system capital building fund allocation for the
6 following projects authorized by the sixty-eighth legislative assembly:

7	Bismarck state college polytechnic project inflation			\$12,400,000
8	Lake region state college wind turbine gearbox replacement and parking lot			1,000,000
9	repairs			
10	Williston state college medical healthcare building			36,600,000
11	University of North Dakota science, engineering, and national security corridor			82,000,000
12	University of North Dakota Merrifield hall and Twamley hall project inflation			12,500,000
13	North Dakota state university center for engineering and computational sciences			84,000,000
14	Dickinson state university agriculture and technical education building			18,000,000
15	Dickinson state university generator and project inflation			2,600,000
16	Mayville state university old main renovation			49,970,100
17	Minot state university Hartnett hall project inflation			4,000,000
18	Dakota college at Bottineau old main renovation			<u>5,800,000</u>
19	Total			\$308,870,100

20 **SECTION 13. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE**
21 **INTENT.**

- 22 1. An institution must have possession of local matching funds allocated to a project prior
23 to expending any funding from the strategic investment and improvements fund for the
24 project.
- 25 2. If an institution is unable to provide the appropriated amount of matching funds for a
26 capital project provided for in this Act, the institution may only spend a proportional
27 amount of funding from the strategic investment and improvements fund for the
28 project. If an institution is unable to provide necessary matching funds by June 30,
29 2027, to complete the project in whole or in part, the appropriation from the strategic
30 investment and improvements fund must be canceled.

- 1 3. It is the intent of the sixty-eighth legislative assembly that any inflationary or other
2 costs associated with previously approved projects must be paid from the institution's
3 local funds or the institution's allocation in the university system capital building fund.

4 **SECTION 14. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the
5 biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by
6 the state board of higher education must have adequate project management oversight by
7 either an institution official or a representative of an external entity. An institution may seek
8 assistance from the university system office for project management oversight of a capital
9 project.

10 **SECTION 15.** A new section to chapter 6-09 of the North Dakota Century Code is created
11 and enacted as follows:

12 **Economic diversification research fund - Report to legislative management.**

- 13 1. There is created in the state treasury the economic diversification research fund. The
14 fund consists of all moneys deposited in or transferred to the fund pursuant to
15 legislative action. Moneys in the fund may be spent by the Bank of North Dakota
16 pursuant to legislative appropriations to provide grants to institutions under the control
17 of the state board of higher education for economic diversification research.
- 18 2. In consultation with representatives of North Dakota state university and the university
19 of North Dakota, the Bank, in consultation with the state board of higher education,
20 shall award grants to institutions under the control of the state board of higher
21 education. Up to ninety percent of the funding must be awarded to North Dakota state
22 university and the university of North Dakota with equal amounts awarded to each
23 institution. The remaining funding must be awarded to the other institutions under the
24 control of the state board of higher education, as determined by the board. The state
25 board of higher education may not award more than fifty percent of the available
26 funding during the first year of the biennium. The Bank of North Dakota shall distribute
27 the grant funding as awarded by the state board of higher education.
- 28 3. The state board of higher education shall develop guidelines for the economic
29 diversification research grants. The purpose of the grants is to stimulate economic
30 activity across the state through innovation of new technology, concepts, and
31 products; to promote job creation and career and wage growth; to enhance health care

1 outcomes; to address loss of revenue and jobs in communities with economies that
2 depend primarily on the fossil fuel industry; and to provide experiential learning
3 opportunities for students. Research projects may be initiated by an institution under
4 the control of the state board of higher education or by the private sector. The
5 guidelines must include consideration for research projects with matching funds and
6 provisions for grant oversight by an internal advisory committee and an external
7 advisory committee.

8 4. The state board of higher education shall develop reporting requirements for the
9 institutions under the control of the board. The reporting requirements must include
10 criteria for assessing performance outcomes related to the grants. The state board of
11 higher education shall compile the reports and submit a comprehensive report
12 annually to the legislative management. The comprehensive report must include
13 information on how the research efforts by each institution align with the state's
14 priorities, how the institutions collaborate when appropriate, and how the outcomes of
15 the research meet established performance expectations.

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

18 **State commissioner of higher education - Higher education trends - Report to**
19 **legislative management.**

20 The state commissioner of higher education shall provide an annual report to the legislative
21 management regarding trends in higher education, including state and regional student
22 enrollment, North Dakota university system institution reserves, state and regional tuition rates,
23 state and regional student financial assistance, and the North Dakota university system's
24 response to the trends and changes, including new or expanded educational programs, closed
25 programs, and future budget requests.

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

28 **Disclosure of financial condition.**

29 The state board of higher education shall provide a disclosure of the financial condition of
30 an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27
31 for the position of president of an institution. The disclosure of financial condition must identify

1 the institution's reserves, recent audit findings, anticipated future funding changes pursuant to
2 chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher
3 education may require the qualified applicants to sign a nondisclosure agreement prior to
4 receiving the disclosure of financial condition.

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

7 **Campus policies and procedures.**

8 The president of an institution under the control of the state board of higher education may
9 adopt policies, procedures, and directives for the institution, with input but no authoritative
10 control from faculty and others through shared governance. The commissioner of higher
11 education and the state board of higher education may overturn or amend the president's
12 policies, procedures, and directives.

13 **SECTION 19. AMENDMENT.** Section 15-10-38.1 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce**
16 **student loan repayment program fund - Continuing appropriation - Report. (~~Repealed-~~**
17 **effective July 1, 2023)**

18 1. There is created in the state treasury the skilled workforce student loan repayment
19 program fund. The fund consists of moneys transferred into the fund by the legislative
20 assembly, matching funds received, and loan repayments. Moneys in the fund are
21 appropriated to the state board of higher education on a continuing basis for the
22 purpose of distributing student loan repayment grants directly to the Bank of North
23 Dakota or other participating lender to repay outstanding student loan principal
24 balances for eligible applicants. The state board of higher education may transfer
25 money between this fund and the skilled workforce scholarship fund established in
26 section 15-10-38.2.

27 2. The state board of higher education shall adopt policies and procedures to develop,
28 implement, promote, and administer a skilled workforce student loan repayment
29 program in cooperation with the Bank of North Dakota and the North Dakota workforce
30 development council with the intent of attracting and retaining individuals for
31 professional or technical skills in high demand in this state.

- 1 3. The North Dakota workforce development council in cooperation with job service North
2 Dakota shall use available labor market information to determine annually the eligible
3 high-demand professional and technical skills and emerging occupations in this state.
- 4 4. Graduates of degree or certificate programs from institutions or entities in any state
5 may apply for the skilled workforce student loan repayment program. To be eligible to
6 receive student loan repayment grants under the program, the applicant:
 - 7 a. Must have successfully completed an educational program from an institution of
8 higher education;
 - 9 b. Must have a student loan with the Bank of North Dakota or other participating
10 lender;
 - 11 c. Following completion of an educational program, must reside and work in this
12 state in an eligible high-demand or emerging occupation; and
 - 13 d. Must have met and shall continue to meet any requirements established in
14 applicable state board of higher education procedures.
- 15 5. The state board of higher education shall adopt procedures to ensure compliance with
16 residency and occupation requirements after completion of the educational program.
- 17 6. The state board of higher education shall distribute student loan repayment grants
18 from the skilled workforce student loan repayment program fund directly to the Bank of
19 North Dakota or other participating lender to repay outstanding student loan principal
20 balances for eligible applicants. The maximum annual student loan repayment grant
21 amount for which an applicant may qualify is five thousand six hundred sixty-seven
22 dollars, or one-third of the applicant's outstanding student loan principal balance upon
23 initial application for the program, whichever is less. The maximum total student loan
24 repayment grant amount for which any applicant may qualify is seventeen thousand
25 dollars.
- 26 7. If an individual is receiving loan forgiveness under any other state program, the
27 individual may not receive a student loan repayment grant under this section during
28 the same application year. ~~An individual who received a skilled workforce scholarship
29 under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~

- 1 8. An individual may receive a combined total of no more than seventeen thousand
2 dollars under this section and the skilled workforce scholarship program under section
3 15-10-38.2.
- 4 9. ~~The skilled workforce student loan repayment program must be a joint public and~~
5 ~~private effort.~~ The state board of higher education shall provide one dollar of funding
6 for each one dollar of ~~funding~~funds raised from the private sector or other public
7 sources. Any matching funds received must be deposited in the skilled workforce
8 student loan repayment program fund.
- 9 10. The state board of higher education shall provide a biennial program report to the
10 legislative management by September first of each even-numbered year. The report
11 must include information regarding:
- 12 a. The eligible high-demand professional and technical skills and emerging
13 occupations;
- 14 b. The number of applicants, eligible applicants, and applicants receiving awards;
- 15 c. The amount of ~~private funding~~matching funds raised; and
- 16 d. The average and total amounts awarded under the program.

17 **SECTION 20. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship**
20 **fund - Continuing appropriation - Report. (~~Repealed effective July 1, 2023~~)**

- 21 1. There is created in the state treasury the skilled workforce scholarship fund. The fund
22 consists of moneys transferred into the fund by the legislative assembly, matching
23 funds received, and scholarship repayments. Moneys in the fund are appropriated to
24 the state board of higher education on a continuing basis for the purpose of providing
25 grants to institutions of higher education related to skilled workforce scholarships.
26 Institutions of higher education include institutions under the control of the state board
27 of higher education, North Dakota nonpublic accredited institutions of higher
28 education, tribally controlled community colleges, state-approved educator training
29 programs, and North Dakota institutions approved to operate by the North Dakota
30 board of career and technical education. The state board of higher education may

1 transfer money between this fund and the skilled workforce student loan repayment
2 program fund established in section 15-10-38.1.

3 2. The state board of higher education shall adopt policies and procedures to develop,
4 implement, promote, and administer a skilled workforce scholarship program in
5 cooperation with the Bank of North Dakota and the North Dakota workforce
6 development council with the intent of attracting and retaining individuals for
7 professional or technical skills in high demand in this state.

8 3. The North Dakota workforce development council in cooperation with job service North
9 Dakota shall use available labor market information to determine annually the eligible
10 high-demand professional and technical skills and emerging occupations in this state.

11 4. The state board of higher education and the workforce development council shall
12 compile a list of qualifying educational programs annually. A qualifying educational
13 program is a program resulting in attainment of an associate's degree or lower
14 credential ~~upon successful completion of a program that may be completed within four~~
15 semesters ~~or, six quarters, or the final two years of a baccalaureate program.~~ A
16 qualifying educational program also must pertain to the professional and technical
17 skills and emerging occupations in high demand in this state, as determined under
18 subsection 3. Qualifying educational programs may include degree or certificate
19 programs.

20 5. Individuals enrolled in a qualifying educational program in this state may apply for a
21 scholarship under this section. Scholarships are limited to the amount charged each
22 quarter, semester, or term by the educational institution for the tuition, fees, books, and
23 supplies required for the qualifying educational program. The scholarships are
24 intended to supplement any other scholarship or financial aid grant received by a
25 student to assist the student with the costs of the qualifying educational program. An
26 individual may not receive a combined total exceeding seventeen thousand dollars
27 under this section and the skilled workforce loan repayment program under section
28 15-10-38.1.

29 6. To be eligible for a scholarship ~~and~~ payment under this section, a student must be
30 enrolled full time in an eligible program and have at least a 2.5 cumulative grade point
31 average, based on a 4.0 grading system, or maintain academic progress in the

1 program according to program requirements. A student may not receive scholarships
2 under this section for more than the equivalent of four semesters of full-time
3 enrollment or six quarters of full-time enrollment.

4 7. Upon completion of a qualifying educational program, a student who received a
5 scholarship under this section must reside and work in this state in an eligible
6 high-demand or emerging occupation for a minimum of three years.

7 8. An individual shall repay the scholarship pursuant to the terms in the individual's
8 scholarship award agreement if the individual fails to maintain either a 2.5 cumulative
9 grade point average or academic progress according to program requirements while
10 enrolled, withdraws voluntarily or involuntarily before the completion of the program for
11 which a scholarship has been received, or fails to reside and work in this state in an
12 eligible high-demand or emerging occupation for at least three years following degree
13 or certificate completion.

14 9. The state board of higher education, in conjunction with the Bank of North Dakota,
15 may allow an individual who received payment under this section to delay or cancel
16 repayment under this section due to financial difficulty, military service, death, or total
17 disability.

18 10. Each quarter, semester, or term, the state board of higher education shall distribute
19 grants to institutions of higher education to provide the amounts necessary for the
20 scholarships awarded to the students enrolled in each institution.

21 11. ~~The skilled workforce scholarship program must be a joint public and private effort.~~
22 ~~The state board of higher education may distribute grants only to the extent that the~~
23 ~~private sector has provided one dollar of matching funds for each dollar of funding~~
24 ~~provided by the state.~~The state board of higher education shall provide one dollar of
25 funding for each one dollar raised from the private sector or other public sources. Any
26 matching funds received must be deposited in the skilled workforce scholarship fund.

27 12. The state board of higher education shall provide a biennial program report to the
28 legislative management by September first of each even-numbered year. The report
29 must include information regarding:

30 a. The eligible high-demand professional and technical skills and emerging
31 occupations;

- 1 b. The qualifying educational programs;
- 2 c. The number of applicants, eligible applicants, and applicants receiving awards;
- 3 d. The amount of ~~private funding~~matching funds raised; and
- 4 e. The average and total amounts awarded under the program.

5 **SECTION 21. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **15-10-38.3. Scholarship and loan forgiveness administrative costs –~~Continuing~~**
8 **~~appropriation. (Effective through July 31, 2023)~~**

9 The state board of higher education shall retain up to one and one-half percent of any funds
10 appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section
11 15-10-38.2. The retained funds must be used for promotion and administration of the programs
12 under those sections.

13 ~~**Scholarship and loan forgiveness administrative costs – Continuing appropriation.**~~
14 ~~**(Effective after July 31, 2023)**~~ The state board of higher education shall retain up to one-half of
15 one percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1
16 and subsection 1 of section 15-10-38.2. The retained funds must be used for administration of
17 the programs under those sections.

18 **SECTION 22. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North
19 Dakota Century Code is amended and reenacted as follows:

- 20 c. The board may award up to ~~one million seven hundred thousand~~two million
21 seven hundred thousand dollars in matching grants each to the university of
22 North Dakota and North Dakota state university; and up to ~~one million five~~
23 ~~hundred thousand~~two million two hundred thousand dollars in matching grants for
24 ~~projects at~~the university of North Dakota school of medicine and health
25 sciences. Of the amount available to the university of North Dakota, two hundred
26 fifty thousand dollars must be awarded for projects dedicated to projects at the
27 school of law.

28 **SECTION 23.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted
29 as follows:

1 **Agricultural research and extension - Matching grants - North Dakota state university**
2 **agricultural experiment station.**

- 3 1. a. Subject to legislative appropriations, each biennium the state board of higher
4 education shall award one dollar in matching grants for every two dollars raised
5 by the institutional foundation of North Dakota state university for projects
6 dedicated exclusively to agricultural research and extension at the agricultural
7 experiment station. Notwithstanding section 15-10-53, awards under this section
8 may be used for endowments, operations, facility repair projects, and new capital
9 construction projects.
- 10 b. To be eligible for a matching grant, the institution shall demonstrate:
- 11 (1) Its foundation has raised at least twenty-five thousand dollars in cash or
12 monetary pledges for a qualifying project; and
- 13 (2) The project has been approved by the grant review committee established
14 in section 15-10-51.
- 15 c. The board may award up to two million two hundred thousand dollars in matching
16 grants under this section.
- 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 board
19 shall award a lesser amount.
- 20 2. The state board of higher education shall retain up to one-quarter of one percent of
21 any grant awarded under this section to assist with the administrative expenses
22 incurred in the grant review process.

23 **SECTION 24. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North
24 Dakota Century Code is amended and reenacted as follows:

- 25 c. The board may award up to:
- 26 (1) ~~Nine hundred fifty thousand~~One million seven hundred thousand dollars
27 each to Bismarck state college, Minot state university, and the North Dakota
28 state college of science;
- 29 (2) ~~Seven hundred thousand~~One million one hundred thousand dollars each to
30 Dickinson state university, Mayville state university, and Valley City state
31 university; and

1 (3) ~~Three hundred fifty thousand~~Six hundred thousand dollars each to Dakota
2 college at Bottineau, Lake Region state college, and Williston state college.

3 **SECTION 25. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota
4 Century Code is amended and reenacted as follows:

- 5 2. a. If any available dollars have not been awarded by the board before January first
6 of each odd-numbered year, in accordance with subsection 1, any institution
7 listed in subsection 1 may apply for an additional matching grant.
8 b. An application submitted under this subsection must meet the same criteria as an
9 original application.
10 c. The board shall prioritize available dollars allocated in paragraph 1 of
11 subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of
12 subsection 1. The board shall prioritize available dollars allocated in paragraph 2
13 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of
14 subsection 1. The board shall prioritize available dollars allocated in paragraph 3
15 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of
16 subsection 1.
17 d. After considering applications pursuant to subdivision c, the board shall consider
18 each application submitted under this subsection in chronological order.
19 d.e. If the remaining dollars are insufficient to provide a matching grant in the amount
20 of one dollar for every two dollars raised by the institutional foundation, the board
21 shall award a lesser amount.

22 **SECTION 26. AMENDMENT.** Section 15-10-57 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **15-10-57. Unified workforce, vocational, and technical education program system.**

25 The state board of higher education shall establish and maintain a unified system to offer
26 workforce training, vocational education, and technical education programs at institutions under
27 its control. The board shall periodically review programs offered by institutions under its control
28 and revise program offerings based on the workforce needs of the state identified by the
29 workforce ~~education advisory~~development council. The board shall develop administrative
30 arrangements that make possible the efficient use of facilities and staff. The board shall limit
31 administrative costs by eliminating duplicative administrative positions.

1 **SECTION 27. AMENDMENT.** Section 15-10-63 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **15-10-63. Capital projects.**

4 1. The university of North Dakota and North Dakota state university shall identify other
5 funds from gifts, grants, donations, the university system capital building fund, or other
6 local funds for at least thirty percent of the total estimated cost of a capital project
7 request submitted to the legislative assembly.

8 2. Bismarck state college, lake region state college, Williston state college, the North
9 Dakota state college of science, Dickinson state university, Mayville state university,
10 Minot state university, Valley City state university, and Dakota college at Bottineau
11 shall identify other funds from gifts, grants, donations, the university system capital
12 building fund, or other local funds for at least five percent of the total estimated cost of
13 a capital project request submitted to the legislative assembly.

14 3. An institution under the control of the state board of higher education may undertake a
15 facility renovation project only if the project will reduce the deferred maintenance
16 amount of the facility by no less than seventy five percent of the total cost of the
17 renovation. The institution shall maintain documentation that demonstrates the cost
18 and scope of the deferred maintenance reduction that results directly from the
19 renovation. This subsection does not apply to projects undertaken solely to correct
20 building code deficiencies or to installations of infrastructure determined by the board
21 to be essential to the mission of the institution.

22 ~~2.4.~~ Facility construction and renovation projects undertaken by an institution under the
23 control of the state board of higher education must conform to campus master plan
24 and space utilization requirements approved by the state board of higher education.

25 **SECTION 28. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the
26 North Dakota Century Code is amended and reenacted as follows:

27 k. The ~~factors~~factor for credits completed in career and technical education are:
28 (1) ~~3.0 for lower division credits; and~~
29 (2) ~~5.0 for upper division credits~~is 5.0.

30 **SECTION 29. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota
31 Century Code is amended and reenacted as follows:

- 1 1. Except as provided under subsections 2 and 3, to determine the state aid payment to
2 which each institution under its control is entitled, the state board of higher education
3 shall multiply the product determined under section 15-18.2-03 by a base amount of:
4 a. ~~\$61.84~~\$73.15 in the case of North Dakota state university and the university of
5 North Dakota;
6 b. ~~\$92.60~~\$103.76 in the case of Dickinson state university, Mayville state university,
7 Minot state university, and Valley City state university; and
8 c. ~~\$98.84~~\$110.38 in the case of Bismarck state college, Dakota college at
9 Bottineau, Lake Region state college, North Dakota state college of science, and
10 Williston state college.

11 **SECTION 30.** Section 15-18.2-06.1 of the North Dakota Century Code is created and
12 enacted as follows:

13 **Base funding - Minimum amount payable.**

14 Notwithstanding any calculations required by this chapter, during each biennium an
15 institution may not receive less than ninety-six percent of the state aid to which the institution
16 was entitled under this chapter during the previous biennium.

17 **SECTION 31. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **15-54.1-02. Capital building funds - Uses - Reports.**

20 Subject to tier II and tier III capital building fund matching requirements under this chapter,
21 each institution may use its allocation of funds from the university system capital building fund
22 for projects specifically authorized by the legislative assembly to use university system capital
23 building fund moneys. In addition, after an institution has matched and committed seventy-five
24 percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to
25 state board of higher education approval and matching requirements under this chapter, each
26 institution may use its allocation of funds from the university system capital building fund for
27 extraordinary repairs and deferred maintenance projects for academic and student housing
28 facilities that do not increase the overall square footage of a building. The state board of higher
29 education shall report biennially to the legislative management and to the appropriations
30 committees of the legislative assembly on the use of funding in the university system capital

1 building fund, the source of matching funds, and each institution's five-year plan for capital
2 construction spending.

3 **SECTION 32. AMENDMENT.** Subsection 1 of section 15-62.4-03 of the North Dakota
4 Century Code is amended and reenacted as follows:

- 5 1. The state board of higher education shall provide to each eligible student a financial
6 assistance grant in an amount not exceeding:
- 7 a. One thousand ~~one hundred~~three hundred seventy-five dollars per semester; or
 - 8 b. ~~Seven hundred thirty-three~~Nine hundred seventeen dollars per quarter.

9 **SECTION 33. AMENDMENT.** Subdivision c of subsection 2 of section 54-07-12 of the North
10 Dakota Century Code is amended and reenacted as follows:

- 11 c. The private entity agrees to donate ten million dollars from the one hundred
12 million dollars identified in subsection 1 to a higher education institution
13 foundation in North Dakota, of which two million dollars is for the purpose of
14 creating an endowment to digitize~~digitizing~~ documents relating to Theodore
15 Roosevelt and eight million dollars is for the purpose of creating an endowment
16 for the creation of a Theodore Roosevelt conservation scholars program and
17 related academic mission at a North Dakota higher education institution in
18 collaboration with the private entity; and

19 **SECTION 34. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **54-44.1-11. Office of management and budget to cancel unexpended appropriations -**
22 **When they may continue. (Effective through July 31, ~~2023~~2025)**

23 Except as otherwise provided by law, the office of management and budget, thirty days after
24 the close of each biennial period, shall cancel all unexpended appropriations or balances of
25 appropriations after the expiration of the biennial period during which they became available
26 under the law. Unexpended appropriations for the state historical society are not subject to this
27 section and the state historical society shall report on the amounts and uses of funds carried
28 over from one biennium to the appropriations committees of the next subsequent legislative
29 assembly. Unexpended appropriations for the North Dakota university system are not subject to
30 this section and the North Dakota university system shall report on the amounts and uses of
31 funds carried over from one biennium to the next to subsequent appropriations committees of

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

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

17 **Office of management and budget to cancel unexpended appropriations - When they**
18 **may continue. (Effective after July 31, 20232025)** The office of management and budget,
19 thirty days after the close of each biennial period, shall cancel all unexpended appropriations or
20 balances of appropriations after the expiration of the biennial period during which they became
21 available under the law. Unexpended appropriations for the state historical society are not
22 subject to this section and the state historical society shall report on the amounts and uses of
23 funds carried over from one biennium to the appropriations committees of the next subsequent
24 legislative assembly. The chairmen of the appropriations committees of the senate and house of
25 representatives of the legislative assembly with the office of the budget may continue
26 appropriations or balances in force for not more than two years after the expiration of the
27 biennial period during which they became available upon recommendation of the director of the
28 budget for:

- 29 1. New construction projects.
- 30 2. Major repair or improvement projects.

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

10 **SECTION 35. REPEAL.** Sections 15-10-48.1 and 15-10-58 of the North Dakota Century
11 Code are repealed.

12 **SECTION 36. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT**
13 **REPORT.** Notwithstanding section 54-16-04, the office of management and budget shall
14 transfer appropriation authority from the operations to the capital assets line items within
15 subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher
16 education for the biennium beginning July 1, 2023, and ending June 30, 2025. The board shall
17 report any transfer of funds under this section to the legislative management.

18 **SECTION 37. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.**
19 Notwithstanding any other provisions of law, the state board of higher education may adjust
20 full-time equivalent positions as needed, subject to the availability of funds, for institutions and
21 entities under its control during the biennium beginning July 1, 2023, and ending June 30, 2025.
22 The North Dakota university system shall report any adjustments to the office of management
23 and budget as part of the submission of the 2025-27 biennium budget request.

24 **SECTION 38. EXEMPTION - CAPITAL BUILDING FUND.** Notwithstanding any matching
25 requirements in chapter 15-54.1, the following projects are authorized to use funding from the
26 respective institution's allocation in the university system capital building fund:

27 Lake region state college wind turbine gearbox replacement and parking lot	\$1,000,000
28 repairs	
29 Williston state college medical healthcare building	637,947
30 Mayville state university old main renovation	2,330,087

1	Dakota college at Bottineau old main renovation	<u>1,000,000</u>
2	Total	\$4,968,034

3 **SECTION 39. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts
4 remaining from the \$49,900,000 appropriated from the general fund for capital projects at
5 institutions under the control of the state board of higher education in section 2 of chapter 53 of
6 the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from
7 the appropriations are available to the respective institutions to complete the projects during the
8 biennium beginning July 1, 2023, and ending June 30, 2025.

9 **SECTION 40. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amounts
10 appropriated from federal funds derived from the state fiscal recovery fund to the state board of
11 higher education and institutions under the control of the state board of higher education in
12 section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session
13 Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and
14 programs are available for the projects and programs, including for the Twamley hall project at
15 the university of North Dakota, during the biennium beginning July 1, 2023, and ending June 30,
16 2025.

17 **SECTION 41. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During
18 the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The
19 study must include a review of all funding sources relating to dual-credit courses in the state,
20 including tuition and fees, the higher education funding formula, elementary and secondary
21 education integrated formula payments, institution scholarships, state scholarships, and the
22 Bank of North Dakota. The study must also include a review of funding for dual-credit courses in
23 other states. The legislative management shall report its findings and recommendations,
24 together with any legislation required to implement the recommendations, to the sixty-ninth
25 legislative assembly.

26 **SECTION 42. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE**
27 **IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the
28 emergence of artificial intelligence and the potential impacts on the state's institutions,
29 agencies, businesses, citizens, and youth. The study must include a review of the effect of
30 artificial intelligence on the provision of health care, effects on student learning, potential
31 opportunities or threats to the integrity of state services, the potential impact on electoral

1 processes, including mitigating action to be taken leading up to the 2024 state elections,
2 opportunities for state investment or policy changes to promote artificial intelligence businesses,
3 and cybersecurity implications across all state institutions. The legislative management shall
4 report its findings and recommendations, together with any legislation required to implement the
5 recommendations, to the sixty-ninth legislative assembly.

6 **SECTION 43. TUITION RATE INCREASE LIMITATIONS.**

- 7 1. Except as provided in this section, notwithstanding any other provision of law, the state
8 board of higher education may not increase tuition rates for resident students
9 attending institutions of higher education under its control during the 2023-24
10 academic year as compared to the tuition rate in effect during the 2023 spring
11 semester.
- 12 2. Except as provided in this section, notwithstanding any other provision of law, the state
13 board of higher education may not increase tuition rates for resident students
14 attending institutions of higher education under its control during the 2024-25
15 academic year as compared to the tuition rate in effect during the 2024 spring
16 semester.
- 17 3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and
18 for graduate level programs, including programs offered through the university of North
19 Dakota school of medicine and health sciences, the university of North Dakota school
20 of law, or the North Dakota state university school of pharmacy, may be increased by
21 up to one percent for the 2023-24 academic year as compared to the tuition rate in
22 effect during the 2023 spring semester.
- 23 4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and
24 for graduate level programs, including programs offered through the university of North
25 Dakota school of medicine and health sciences, the university of North Dakota school
26 of law, or the North Dakota state university school of pharmacy, may be increased by
27 up to one percent for the 2024-25 academic year as compared to the tuition rate in
28 effect during the 2024 spring semester.
- 29 5. This section does not apply to tuition rates for nonresident students attending
30 institutions of higher education under the control of the state board of higher

1 education. For purposes of this section, the residency of students for tuition purposes
2 must be determined under section 15-10-19.1.

3 6. This section does not apply to tuition rates determined under tuition reciprocity
4 agreements entered into by the state board of higher education with other states or
5 state education compacts.

6 7. For purposes of this section, an institution must calculate a resident tuition rate
7 increase based on the tuition rate paid by an average full-time resident student.

8 **SECTION 44. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL**
9 **PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-eighth legislative
10 assembly that dental hygienist and dental assistant courses be transferred to the career and
11 technical education instructional program classification within the higher education funding
12 formula.

13 **SECTION 45. EMERGENCY.** Sections 2, 5, 11, 12, 13, 32, 38, and the capital assets line
14 items in section 1 of this Act are declared to be an emergency measure.