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Sixty-ninth
Legislative Assembly
of North Dakota

FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2003

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 amend and
3 reenact subsection 2 of section 6-09-53, subdivision c of subsection 1 of section 15-10-48,
4 subdivision c of subsection 1 of section 15-10-48.2, subdivision c of subsection 1 of section
5 15-10-49, subsection 1 of section 15-10-75, paragraph 3 of subdivision h of subsection 1 of
6 section 15-18.2-02, subsection 2 of section 15-18.2-03, subsection 1 of section 15-18.2-05,
7 sections 15-54.1-02 and 15-54.1-04, subsection 1 of section 15-62.4-01, and section 54-44.1-11
8 of the North Dakota Century Code, relating to the economic diversification research fund,
9 matching grants for the advancement of academics, the workforce education innovation
10 program, state aid for institutions of higher education, university system capital building funds,
11 student financial assistance grants, and the cancellation of unexpended appropriations; to
12 amend and reenact sections 6 and 7 of chapter 126 of the 2021 Session Laws, relating to
13 transfers from the Bank of North Dakota to the skilled workforce loan repayment program fund
14 and the skilled workforce scholarship fund; to amend and reenact subsection 17 of section 1 of
15 chapter 550 of the 2021 Special Session Session Laws, relating to funding for hyperbaric
16 oxygen therapy; to amend and reenact sections 7, 8, and 9 of chapter 3 of the 2023 Session
17 Laws, relating to transfers from the Bank of North Dakota to the skilled workforce loan
18 repayment program fund, the skilled workforce scholarship fund, and to the state board of
19 higher education for dual-credit tuition scholarships; to authorize the state board of higher
20 education to issue and sell bonds for capital projects; to provide for a transfer; to provide for the
21 conveyance of real property; to provide for a legislative management higher education funding
22 review committee; to provide for a report; to provide legislative intent; and to provide an
23 exemption.

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

2 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
3 as may be necessary, are appropriated out of any moneys in the general fund in the state
4 treasury, not otherwise appropriated, and from other funds derived from special funds and
5 federal funds, to the state board of higher education and to the entities and institutions under
6 the supervision of the board for the purpose of defraying the expenses of the state board of
7 higher education and the entities and institutions under the supervision of the board, for the
8 biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

9 Subdivision 1.

10 NORTH DAKOTA UNIVERSITY SYSTEM

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
13	Capital assets - bond payments	\$11,197,896	(\$936,521)	\$10,261,375
14	Competitive research programs	5,685,750	0	5,685,750
15	System governance	10,569,162	2,274,325	12,843,487
16	Core technology services	71,988,917	5,144,536	77,133,453
17	Student financial assistance grants	29,917,306	2,000,000	31,917,306
18	Professional student exchange program	3,699,342	1,500,000	5,199,342
19	Academic and CTE scholarships	17,216,749	0	17,216,749
20	Scholars program	1,807,115	0	1,807,115
21	Native American scholarship	1,000,000	0	1,000,000
22	Tribally controlled community	1,400,000	200,000	1,600,000
23	college grants			
24	Education incentive programs	260,000	0	260,000
25	Student mental health	284,400	0	284,400
26	Veterans' assistance grants	454,875	0	454,875
27	Shared campus services	800,000	0	800,000
28	Nursing education consortium	1,356,000	1,100,000	2,456,000
29	NASA EPSCoR	342,000	0	342,000
30	Education challenge fund	0	25,000,000	25,000,000
31	Dakota digital academy	0	450,000	450,000

Sixty-ninth
Legislative Assembly

1	Workforce education innovation grants	0	12,000,000	12,000,000
2	Dual-credit tuition scholarship	<u>1,500,000</u>	<u>0</u>	<u>1,500,000</u>
3	Total all funds	\$159,479,512	\$48,732,340	\$208,211,852
4	Less other funds	<u>26,260,897</u>	<u>39,125,852</u>	<u>65,386,749</u>
5	Total general fund	\$133,218,615	\$9,606,488	\$142,825,103
6	Full-time equivalent positions	162.83	6.00	168.83
7	Subdivision 2.			

BISMARCK STATE COLLEGE

9			Adjustments or	
10		Base Level	Enhancements	Appropriation
11	Operations	\$110,026,302	\$5,165,031	\$115,191,333
12	Capital assets	<u>1,922,561</u>	<u>1,400,000</u>	<u>3,322,561</u>
13	Total all funds	\$111,948,863	\$6,565,031	\$118,513,894
14	Less other funds	<u>74,566,953</u>	<u>4,451,570</u>	<u>79,018,523</u>
15	Total general fund	\$37,381,910	\$2,113,461	\$39,495,371
16	Full-time equivalent positions	335.33	2.92	338.25
17	Subdivision 3.			

LAKE REGION STATE COLLEGE

19			Adjustments or	
20		Base Level	Enhancements	Appropriation
21	Operations	\$41,913,733	\$1,472,757	\$43,386,490
22	Capital assets	<u>362,667</u>	<u>0</u>	<u>362,667</u>
23	Total all funds	\$42,276,400	\$1,472,757	\$43,749,157
24	Less other funds	<u>26,601,597</u>	<u>931,171</u>	<u>27,532,768</u>
25	Total general fund	\$15,674,803	\$541,586	\$16,216,389
26	Full-time equivalent positions	120.59	(5.44)	115.15
27	Subdivision 4.			

WILLISTON STATE COLLEGE

29			Adjustments or	
30		Base Level	Enhancements	Appropriation
31	Operations	\$37,378,349	\$933,802	\$38,312,151

Sixty-ninth
Legislative Assembly

1	Capital assets	<u>1,261,968</u>	<u>0</u>	<u>1,261,968</u>
2	Total all funds	\$38,640,317	\$933,802	\$39,574,119
3	Less other funds	<u>25,154,992</u>	<u>796,812</u>	<u>25,951,804</u>
4	Total general fund	\$13,485,325	\$136,990	\$13,622,315
5	Full-time equivalent positions	102.83	(3.09)	99.74

6 Subdivision 5.

7

UNIVERSITY OF NORTH DAKOTA

8			Adjustments or	
9		Base Level	Enhancements	Appropriation
10	Operations	\$967,725,670	\$51,533,197	\$1,019,258,867
11	Capital assets	4,411,566	79,500,000	83,911,566
12	Research network	<u>2,500,000</u>	<u>1,000,000</u>	<u>3,500,000</u>
13	Total all funds	\$974,637,236	\$132,033,197	\$1,106,670,433
14	Less other funds	<u>790,481,856</u>	<u>120,626,346</u>	<u>911,108,202</u>
15	Total general fund	\$184,155,380	\$11,406,851	\$195,562,231
16	Full-time equivalent positions	2,060.56	131.39	2,191.95

17 Subdivision 6.

18 UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

19			Adjustments or	
20		Base Level	Enhancements	Appropriation
21	Operations	\$240,396,968	\$18,590,513	\$258,987,481
22	Healthcare workforce initiative	<u>10,676,150</u>	<u>0</u>	<u>10,676,150</u>
23	Total all funds	\$251,073,118	\$18,590,513	\$269,663,631
24	Less other funds	<u>168,241,842</u>	<u>5,776,474</u>	<u>174,018,316</u>
25	Total general fund	\$82,831,276	\$12,814,039	\$95,645,315
26	Full-time equivalent positions	488.83	40.23	529.06

27 Subdivision 7.

28

NORTH DAKOTA STATE UNIVERSITY

29			Adjustments or	
30		Base Level	Enhancements	Appropriation
31	Operations	\$807,365,091	\$44,700,943	\$852,066,034

Sixty-ninth
Legislative Assembly

1	Capital assets	7,799,104	125,000,000	132,799,104
2	Research network	<u>2,500,000</u>	<u>1,000,000</u>	<u>3,500,000</u>
3	Total all funds	\$817,664,195	\$170,700,943	\$988,365,138
4	Less other funds	<u>653,917,430</u>	<u>159,772,791</u>	<u>813,690,221</u>
5	Total general fund	\$163,746,765	\$10,928,152	\$174,674,917
6	Full-time equivalent positions	1,867.50	(61.54)	1,805.96

7 Subdivision 8.

8 NORTH DAKOTA STATE COLLEGE OF SCIENCE

9			Adjustments or	
10		Base Level	Enhancements	Appropriation
11	Operations	\$102,490,255	\$6,921,477	\$109,411,732
12	Capital assets	<u>1,012,379</u>	<u>0</u>	<u>1,012,379</u>
13	Total all funds	\$103,502,634	\$6,921,477	\$110,424,111
14	Less other funds	<u>63,645,097</u>	<u>2,273,578</u>	<u>65,918,675</u>
15	Total general fund	\$39,857,537	\$4,647,899	\$44,505,436
16	Full-time equivalent positions	313.95	12.59	326.54

17 Subdivision 9.

18 DICKINSON STATE UNIVERSITY

19			Adjustments or	
20		Base Level	Enhancements	Appropriation
21	Operations	\$56,728,746	\$3,370,815	\$60,099,561
22	Capital assets	<u>409,078</u>	<u>12,500,000</u>	<u>12,909,078</u>
23	Total all funds	\$57,137,824	\$15,870,815	\$73,008,639
24	Less other funds	<u>32,697,829</u>	<u>13,758,716</u>	<u>46,456,545</u>
25	Total general fund	\$24,439,995	\$2,112,099	\$26,552,094
26	Full-time equivalent positions	178.00	(7.20)	170.80

27 Subdivision 10.

28 MAYVILLE STATE UNIVERSITY

29			Adjustments or	
30		Base Level	Enhancements	Appropriation
31	Operations	\$56,295,375	\$2,299,716	\$58,595,091

Sixty-ninth
Legislative Assembly

1	Capital assets	<u>358,992</u>	<u>34,924,814</u>	<u>35,283,806</u>
2	Total all funds	\$56,654,367	\$37,224,530	\$93,878,897
3	Less other funds	<u>34,375,971</u>	<u>36,760,335</u>	<u>71,136,306</u>
4	Total general fund	\$22,278,396	\$464,195	\$22,742,591
5	Full-time equivalent positions	226.92	0.00	226.92

6 Subdivision 11.

7 MINOT STATE UNIVERSITY

8			Adjustments or	
9		Base Level	Enhancements	Appropriation
10	Operations	\$116,510,048	\$4,701,181	\$121,211,229
11	Capital assets	<u>1,099,620</u>	<u>11,232,000</u>	<u>12,331,620</u>
12	Total all funds	\$117,609,668	\$15,933,181	\$133,542,849
13	Less other funds	<u>68,644,425</u>	<u>14,839,213</u>	<u>83,483,638</u>
14	Total general fund	\$48,965,243	\$1,093,968	\$50,059,211
15	Full-time equivalent positions	423.63	(2.47)	421.16

16 Subdivision 12.

17 VALLEY CITY STATE UNIVERSITY

18			Adjustments or	
19		Base Level	Enhancements	Appropriation
20	Operations	\$56,008,906	\$1,499,518	\$57,508,424
21	Capital assets	<u>455,823</u>	<u>0</u>	<u>455,823</u>
22	Total all funds	\$56,464,729	\$1,499,518	\$57,964,247
23	Less other funds	<u>28,111,916</u>	<u>1,421,115</u>	<u>29,533,031</u>
24	Total general fund	\$28,352,813	\$78,403	\$28,431,216
25	Full-time equivalent positions	211.94	5.50	217.44

26 Subdivision 13.

27 DAKOTA COLLEGE AT BOTTINEAU

28			Adjustments or	
29		Base Level	Enhancements	Appropriation
30	Operations	\$26,229,141	\$1,249,697	\$27,478,838
31	Capital assets	<u>114,007</u>	<u>0</u>	<u>114,007</u>

Sixty-ninth
Legislative Assembly

1	Total all funds	\$26,343,148	\$1,249,697	\$27,592,845
2	Less other funds	<u>14,900,270</u>	<u>555,764</u>	<u>15,456,034</u>
3	Total general fund	\$11,442,878	\$693,933	\$12,136,811
4	Full-time equivalent positions	84.00	3.85	87.85
5	Subdivision 14.			

NORTH DAKOTA FOREST SERVICE

7			Adjustments or	
8		Base Level	Enhancements	Appropriation
9	Operations	\$24,874,803	\$1,592,413	\$26,467,216
10	Capital assets	<u>118,728</u>	<u>0</u>	<u>118,728</u>
11	Total all funds	\$24,993,531	\$1,592,413	\$26,585,944
12	Less other funds	<u>19,141,941</u>	<u>1,049,079</u>	<u>20,191,020</u>
13	Total general fund	\$5,851,590	\$543,334	\$6,394,924
14	Full-time equivalent positions	29.00	5.00	34.00
15	Subdivision 15.			

TOTAL - SECTION 1

17			Adjustments or	
18		Base Level	Enhancements	Appropriation
19	Grand total all funds	\$2,838,425,542	\$459,320,214	\$3,297,745,756
20	Grand total other funds	<u>2,026,743,016</u>	<u>402,138,816</u>	<u>2,428,881,832</u>
21	Grand total general fund	\$811,682,526	\$57,181,398	\$868,863,924

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

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

27	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
28	Capital projects - general fund	\$0	\$63,772,000	\$63,772,000
29	Capital projects - strategic investment	0	34,924,814	34,924,814
30	and improvements fund			
31	Capital projects - other funds	0	165,860,000	165,860,000

Sixty-ninth
Legislative Assembly

1	University of North Dakota national	0	12,000,000	12,000,000
2	security crossroads			
3	High performance computing	2,000,000	0	2,000,000
4	North Dakota state university new	0	12,000,000	12,000,000
5	horizon programming			
6	Minot state university advancing students	500,000	0	500,000
7	toward education and employment			
8	Dual-credit scholarships	0	1,500,000	1,500,000
9	Professional student exchange program	1,500,000	0	1,500,000
10	Challenge grants	0	25,000,000	25,000,000
11	Dakota digital academy	450,000	0	450,000
12	Nursing education consortium	0	1,100,000	1,100,000
13	Financial aid system enhancements	25,000	0	25,000
14	Workforce education innovation grants	0	12,000,000	12,000,000
15	Forest service emerald ash borer mitigation	<u>0</u>	<u>950,000</u>	<u>950,000</u>
16	Total	\$4,475,000	\$329,106,814	\$333,581,814

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

APPROPRIATION. All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2025, and ending June 30, 2027. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2025, and ending June 30, 2027, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

SECTION 4. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS. The

capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution, excluding the university of North Dakota and North Dakota state university, shall provide one dollar of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a

1 project. The university of North Dakota and North Dakota state university shall provide two
2 dollars of matching funds from operations or other sources for each one dollar of extraordinary
3 repairs funding used for a project.

4 **SECTION 5. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**

5 The grand total other funds line item in subdivision 15 of section 1 of this Act includes
6 \$161,746,814 from the strategic investment and improvements fund as follows:

7 Challenge grants	\$25,000,000
8 Nursing education consortium	1,100,000
9 Workforce education innovation grants	12,000,000
10 Forest service emerald ash borer mitigation	950,000
11 University of North Dakota science, technology, engineering, and 12 mathematics building	55,640,000
13 University of North Dakota national security crossroads	12,000,000
14 North Dakota state university new horizon programming	12,000,000
15 Mayville state university old main renovation	34,924,814
16 Minot state university academic facilities projects	<u>8,132,000</u>
17 Total strategic investment and improvements fund	\$161,746,814

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

19 **BISMARCK STATE COLLEGE** Of the funding appropriated in the system governance and core
20 technology services line items in subdivision 1 of section 1 of this Act, the state board of higher
21 education shall transfer \$500,000 to the operations line item in subdivision 2 of section 1 of this
22 Act by August 1, 2025. The North Dakota university system office may not assess institutions
23 under the control of the state board of higher education to recover the cost of this transfer.

24 **SECTION 7. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF**
25 **HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North
26 Dakota university system office a total of \$1,500,000 from the current earnings and
27 accumulated undivided profits of the Bank of North Dakota during the biennium beginning
28 July 1, 2025, and ending June 30, 2027, as requested by the commissioner of higher education.
29 The other funds line item in subdivision 1 of section 1 includes \$1,500,000 for the North Dakota
30 university system office for dual-credit tuition scholarships.

1 **SECTION 8. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER -**
2 **STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION**
3 **RESEARCH FUND.** The office of management and budget shall transfer \$8,000,000 from the
4 strategic investment and improvements fund to the economic diversification research fund, the
5 sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to
6 institutions under the control of the state board of higher education, for the biennium beginning
7 July 1, 2025, and ending June 30, 2027, as requested by the commissioner of higher education.

8 **SECTION 9. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**
9 **UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget
10 shall transfer \$31,500,000 from the strategic investment and improvements fund to the
11 university system capital building fund during the biennium beginning July 1, 2025, and ending
12 June 30, 2027, as requested by the commissioner of higher education. Funding transferred
13 pursuant to this section is to be allocated to each institution as follows:

	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
15 Bismarck state college	\$770,505	\$1,000,000	\$1,770,505
16 Lake Region state college	233,263	1,000,000	1,233,263
17 Williston state college	322,154	1,000,000	1,322,154
18 University of North Dakota	5,354,139	3,750,000	9,104,139
19 North Dakota state university	4,695,895	3,750,000	8,445,895
20 North Dakota state college of science	1,214,738	1,000,000	2,214,738
21 Dickinson state university	516,884	1,000,000	1,516,884
22 Mayville state university	332,070	1,000,000	1,332,070
23 Minot state university	906,412	1,000,000	1,906,412
24 Valley City state university	452,403	1,000,000	1,452,403
25 Dakota college at Bottineau	<u>201,537</u>	<u>1,000,000</u>	<u>1,201,537</u>
26 Total	\$15,000,000	\$16,500,000	\$31,500,000

27 **SECTION 10. CAPITAL BUILDING FUNDS - TIER II - USES.** The institutions listed may
28 use funding from tier II of the respective institution's university system capital building fund
29 allocation for the following projects authorized by the sixty-ninth legislative assembly:

30 Bismarck state college student housing	\$1,400,000
31 University of North Dakota science, technology, engineering, and	23,860,000

1	mathematics building	
2	North Dakota state university Van Es biosafety laboratory	<u>8,000,000</u>
3	Total	\$33,260,000

4 **SECTION 11. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the
5 biennium beginning July 1, 2025, and ending June 30, 2027, 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 12. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The state board of
11 higher education, in accordance with chapter 15-55, may arrange for the funding of projects
12 authorized in this section, declared to be in the public interest, through the issuance of
13 self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, during the
14 biennium beginning July 1, 2025, and ending June 30, 2027. Evidences of indebtedness issued
15 pursuant to this section are not a general obligation of the state of North Dakota. Any
16 unexpended balance resulting from the proceeds of the evidences of indebtedness must be
17 placed in a sinking fund to be used for the retirement of indebtedness. The evidences of
18 indebtedness may be issued and the proceeds are appropriated in section 1 of this Act for the
19 following capital projects:

20	North Dakota state university - university village	\$54,000,000
21	North Dakota state university - memorial union	50,000,000
22	Dickinson state university - Woods hall, agriculture and technical education	12,500,000
23	building, and rodeo arena projects	
24	Minot state university - student center	<u>3,100,000</u>
25	Total special funds	\$119,600,000

26 **SECTION 13. AMENDMENT.** Subsection 2 of section 6-09-53 of the North Dakota Century
27 Code is amended and reenacted as follows:

28 2. In consultation with representatives of North Dakota state university and the university
29 of North Dakota, the Bank, in consultation with the state board of higher education,
30 shall award grants to institutions under the control of the state board of higher
31 education. The sum of ~~five million~~ seven million two hundred thousand dollars must be

1 awarded to North Dakota state university and the university of North Dakota with equal
2 amounts awarded to each institution. The remaining funding must be awarded to the
3 other institutions under the control of the state board of higher education, as
4 determined by the board. The state board of higher education may not award more
5 than fifty percent of the available funding during the first year of the biennium. The
6 Bank of North Dakota shall distribute the grant funding as awarded by the state board
7 of higher education.

8 **SECTION 14. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North
9 Dakota Century Code is amended and reenacted as follows:

10 c. The board may award up to ~~two million seven hundred thousand~~three million
11 three hundred seventy-five thousand dollars in matching grants each to the
12 university of North Dakota and North Dakota state university; and up to ~~two-~~
13 ~~million two hundred thousand~~two million seven hundred fifty thousand dollars in
14 matching grants to the university of North Dakota school of medicine and health
15 sciences. Of the amount available to the university of North Dakota, two hundred
16 fifty thousand dollars must be awarded for projects dedicated to projects at the
17 school of law.

18 **SECTION 15. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48.2 of the
19 North Dakota Century Code is amended and reenacted as follows:

20 c. The board may award up to ~~two million two hundred thousand~~two million seven
21 hundred fifty thousand dollars in matching grants under this section.

22 **SECTION 16. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North
23 Dakota Century Code is amended and reenacted as follows:

24 c. The board may award up to:

25 (1) ~~One million seven hundred thousand~~Two million one hundred twenty-five
26 thousand dollars each to Bismarck state college, Minot state university, and
27 the North Dakota state college of science;

28 (2) ~~One million one hundred thousand~~One million three hundred seventy-five
29 thousand dollars each to Dickinson state university, Mayville state university,
30 and Valley City state university; and

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

3 **SECTION 17. AMENDMENT.** Subsection 1 of section 15-10-75 of the North Dakota Century
4 Code is amended and reenacted as follows:

5 1. The state board of higher education may provide award funds to institutions under its
6 control, excluding the university of North Dakota and North Dakota state university, to
7 create or enhance educational programs that address the workforce needs of North
8 Dakota business and industry. An award made under this section may be used for
9 curriculum development, equipment and technology purchases, facility modifications
10 and equipment installation, hiring and training new and existing instructors,
11 educational program promotion, and enhancement of postsecondary partnerships with
12 primary and secondary schools.

13 **SECTION 18. AMENDMENT.** Paragraph 3 of subdivision h of subsection 1 of section
14 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

15 (3) 9.025.0 for professional level credits;

16 **SECTION 19. AMENDMENT.** Subsection 2 of section 15-18.2-03 of the North Dakota
17 Century Code is amended and reenacted as follows:

18 2. If the number of credit-hours completed by an institution would cause a decrease in
19 the credit completion factor for that institution compared to the credit completion factor
20 the institution ~~was entitled to receive during the 2017-19~~received during the prior
21 biennium, the state board of higher education shall multiply the product determined
22 under section 15-18.2-02 by a credit growth factor of 1.0 for credits in excess of the
23 factor the institution ~~was entitled to receive during the 2017-19~~received during the prior
24 biennium. Any weighted credit-hours multiplied by a credit growth factor under this
25 section must have a weight of 1.0 under section 15-18.2-02. The state board of higher
26 education shall multiply the remaining weighted credits by the credit completion factor
27 the institution ~~was entitled to receive during the 2017-19~~received during the prior
28 biennium.

29 **SECTION 20. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota
30 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. ~~\$73.15~~\$79.36 in the case of North Dakota state university and the university of
5 North Dakota;
6 b. ~~\$103.76~~\$111.55 in the case of Dickinson state university, Mayville state
7 university, Minot state university, and Valley City state university; and
8 c. ~~\$110.38~~\$119.91 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 21. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **15-54.1-02. Capital building funds - Uses - Reports.**

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

27 **SECTION 22. AMENDMENT.** Section 15-54.1-04 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **15-54.1-04. Tier III capital building funds - Matching requirements.**

30 The state board of higher education may allocate tier III capital building fund moneys to an
31 institution only after the institution, excluding the university of North Dakota and North Dakota

1 state university, provides two-dollarone dollar of matching funds from operations or other
2 sources for each ~~one-dollar~~two dollars from the university system capital building fund for the
3 project. The state board of higher education may allocate tier III capital building fund moneys to
4 the university of North Dakota and North Dakota state university only after the institution
5 provides one dollar of matching funds from operations or other sources for each one dollar from
6 the university system capital building fund for the project. An institution may not use tier I
7 extraordinary repairs funding, tier II capital building fund moneys, or state funding appropriated
8 for a specific capital project as matching funds under this section.

9 **SECTION 23. AMENDMENT.** Subsection 1 of section 15-62.4-01 of the North Dakota
10 Century Code is amended and reenacted as follows:

- 11 1. a. Graduated from a high school in this state;
12 b. Graduated from a high school in a bordering state, pursuant to chapter 15.1-29;
13 c. Graduated from a nonpublic high school in a bordering state while residing with a
14 custodial parent in this state;
15 d. Completed a program of home education supervised in accordance with chapter
16 15.1-23; ~~or~~
17 e. Received a general educational development high school diploma from the
18 superintendent of public instruction; or
19 f. Is a resident student, as defined in section 15-10-19.1.

20 **SECTION 24. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **54-44.1-11. Office of management and budget to cancel unexpended appropriations -**
23 **When they may continue. (Effective through July 31, ~~2025~~2027)**

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

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

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

18 **Office of management and budget to cancel unexpended appropriations - When they
19 may continue. (Effective after July 31, 2025-2027)**

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

- 30 1. New construction projects.
- 31 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 25. AMENDMENT.** Section 6 of chapter 126 of the 2021 Session Laws is
11 amended and reenacted as follows:

12 **SECTION 6. TRANSFER - BANK OF NORTH DAKOTA - SKILLED**
13 **WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The Bank of
14 North Dakota shall transfer the sum of \$2,250,000, or so much of the sum as may be
15 necessary, from the Bank's current earnings and undivided profits to the skilled
16 workforce student loan repayment fund during the ~~biennium~~period beginning July 1,
17 2021, and ending June 30, ~~2023~~2027.

18 **SECTION 26. AMENDMENT.** Section 7 of chapter 126 of the 2021 Session Laws is
19 amended and reenacted as follows:

20 **SECTION 7. TRANSFER - BANK OF NORTH DAKOTA - SKILLED**
21 **WORKFORCE SCHOLARSHIP FUND.** The Bank of North Dakota shall transfer the
22 sum of \$2,250,000, or so much of the sum as may be necessary, from the Bank's
23 current earnings and undivided profits to the skilled workforce scholarship fund during
24 the ~~biennium~~period beginning July 1, 2021, and ending June 30, ~~2023~~2027.

25 **SECTION 27. AMENDMENT.** Section 7 of chapter 3 of the 2023 Session Laws is amended
26 and reenacted as follows:

27 **SECTION 7. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE**
28 **BOARD OF HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission
29 shall transfer to the North Dakota university system a total of \$1,500,000 from the
30 current earnings and accumulated undivided profits of the Bank of North Dakota
31 during the ~~biennium~~period beginning July 1, 2023, and ending June 30, ~~2025~~2027, as

1 requested by the commissioner of higher education. The estimated income line item in
2 subdivision 1 of section 1 includes \$1,500,000 for the North Dakota university system
3 office for dual-credit tuition scholarships.

4 **SECTION 28. AMENDMENT.** Section 8 of chapter 3 of the 2023 Session Laws is amended
5 and reenacted as follows:

6 **SECTION 8. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED**
7 **WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial
8 commission shall transfer the sum of \$3,400,000 from the current earnings and
9 accumulated undivided profits of the Bank of North Dakota to the skilled workforce
10 student loan repayment program fund during the ~~biennium~~period beginning July 1,
11 2023, and ending June 30, ~~2025~~2027.

12 **SECTION 29. AMENDMENT.** Section 9 of chapter 3 of the 2023 Session Laws is amended
13 and reenacted as follows:

14 **SECTION 9. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED**
15 **WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the
16 sum of \$3,400,000 from the current earnings and accumulated undivided profits of the
17 Bank of North Dakota to the skilled workforce scholarship fund during the
18 ~~biennium~~period beginning July 1, 2023, and ending June 30, ~~2025~~2027.

19 **SECTION 30. AMENDMENT.** Subsection 17 of section 1 of chapter 550 of the 2021 Special
20 Session Session Laws is amended and reenacted as follows:

21 17. There is appropriated from federal funds derived from the state fiscal recovery
22 fund, not otherwise appropriated, the sum of \$2,104,121, or so much of the sum
23 as may be necessary, to the university of North Dakota school of medicine and
24 health sciences for the purpose of purchasing equipment ~~and hiring personnel to~~
25 be granted to health care providers in the state to provide hyperbaric oxygen
26 therapy for the period beginning with the effective date of this Act, and ending
27 June 30, 2023.

28 **SECTION 31. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT**
29 **REPORT.** Notwithstanding section 54-16-04, the office of management and budget shall
30 transfer appropriation authority from the operations to the capital assets line items within
31 subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher

1 education for the biennium beginning July 1, 2025, and ending June 30, 2027. The board shall
2 report any transfer of funds under this section to the legislative management.

3 **SECTION 32. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.**

4 Notwithstanding any other provisions of law, the state board of higher education may adjust
5 full-time equivalent positions as needed, subject to the availability of funds, for institutions and
6 entities under its control during the biennium beginning July 1, 2025, and ending June 30, 2027.
7 The North Dakota university system shall report any adjustments to the office of management
8 and budget as part of the submission of the 2027-29 biennium budget request.

9 **SECTION 33. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following

10 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
11 the biennium beginning July 1, 2025, and ending June 30, 2027:

- 12 1. Any amounts remaining from the \$18,160,000 appropriated from the general fund for
13 capital projects inflation and \$411,724,026 appropriated from other funds, including
14 \$209,976,971 appropriated from the strategic investment and improvements fund, for
15 capital projects at institutions under the control of the state board of higher education
16 in section 1 of chapter 3 of the 2023 Session Laws;
- 17 2. Any amounts remaining from the \$8,500,000 appropriated from other funds to
18 Bismarck State College for the multipurpose academic and athletic center in section 2
19 of chapter 638 of the 2023 Special Session Session Laws;
- 20 3. Any amounts remaining from the \$1,500,000 appropriated from Bank of North Dakota
21 profits for dual-credit scholarships in section 1 of chapter 3 of the 2023 Session Laws;
- 22 4. Any amounts remaining from the funding appropriated from federal funds derived from
23 the state fiscal recovery fund to the state board of higher education and institutions
24 under the control of the state board of higher education in section 1 of chapter 548
25 and section 1 of chapter 550 of the 2021 Special Session Session Laws and continued
26 into the biennium beginning July 1, 2023, and ending June 30, 2025, in section 42 of
27 chapter 3 of the 2023 Session Laws.

28 **SECTION 34. EXEMPTION - SALE OF PROPERTY AUTHORIZED - USE OF**

29 **PROCEEDS.** The state of North Dakota, by and through the state board of higher education,
30 may sell and convey certain real property located at the intersection of sixth avenue north and
31 forty-second street north, in the southeast corner, unplatted parts including the north half of the

1 northwest quarter of the southwest quarter of section 5, township 151 north, range 50,
2 estimated to include 20 acres, in the records of the city of Grand Forks. If any real property
3 authorized to be conveyed under this section is conveyed, the terms of conveyance must be
4 determined jointly by the state board of higher education or a designee of the board and the
5 commissioner of university and school lands. Sections 54-01-05.2 and 54-01-05.5 do not apply
6 to the transfers authorized by this section. Any proceeds from the sale of land pursuant to this
7 section may be used only for deferred maintenance, extraordinary repairs, or legislatively
8 authorized capital projects.

9 **SECTION 35. EXEMPTION - SALE OF PROPERTY AUTHORIZED - USE OF**

10 **PROCEEDS.** The state of North Dakota, by and through the state board of higher education,
11 may sell and convey certain real property located at the intersection of Demers avenue and
12 forty-second street north, in the northwest corner, known as 4201 James Ray drive, the south
13 east corner of lot 1, block 1, estimated to be 2.74 acres, in the records of the city of Grand
14 Forks. If any real property authorized to be conveyed under this section is conveyed, the terms
15 of conveyance must be determined jointly by the state board of higher education or a designee
16 of the board and the commissioner of university and school lands. Sections 54-01-05.2 and
17 54-01-05.5 do not apply to the transfers authorized by this section. Any proceeds from the sale
18 of land pursuant to this section may be used only for deferred maintenance, extraordinary
19 repairs, or legislatively authorized capital projects.

20 **SECTION 36. HIGHER EDUCATION FUNDING REVIEW COMMITTEE - REPORT TO**
21 **THE LEGISLATIVE MANAGEMENT.**

- 22 1. During the 2025-26 interim, the higher education funding review committee is created
23 and composed of thirteen members as follows:
- 24 a. Two members of the house of representatives appointed by the majority leader of
25 the house of representatives and one member appointed by the minority leader
26 of the house of representatives;
 - 27 b. Two members of the senate appointed by the majority leader of the senate and
28 one member appointed by the minority leader of the senate;
 - 29 c. One member of the legislative assembly appointed by the legislative
30 management to serve as the committee chairman;
 - 31 d. Six nonvoting members, including:

- 1 (1) The university of North Dakota vice president for finance and operations, or
2 a designee of the vice president for finance and operations;
 - 3 (2) The North Dakota state university vice president for finance and
4 administration, or a designee of the vice president for finance and
5 administration;
 - 6 (3) Two representatives from regional four-year universities, including
7 dual-mission institutions, appointed by the state board of higher education;
8 and
 - 9 (4) Two representatives from two-year colleges, including polytechnic
10 institutions, appointed by the state board of higher education.
- 11 2. The committee shall review funding methods for higher education in the state,
12 including the higher education funding formula, the university system capital building
13 fund, permanent funds distributions, property tax allocations, oil and gas gross
14 production and oil extraction tax revenue allocations, other statutory funds for higher
15 education and research, and other funding appropriated to institutions and entities
16 under the control of the state board of higher education.
 - 17 3. The committee must receive and consider input from representatives of all higher
18 education institutions under the control of the state board of higher education.
 - 19 4. The committee shall report its findings and recommendations to the legislative
20 management by September 1, 2026.

21 **SECTION 37. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL**
22 **PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-ninth legislative assembly
23 that wind energy technology and law enforcement courses be transferred to the career and
24 technical education instructional program classification within the higher education funding
25 formula.