

**SENATE BILL NO. 2212**

Introduced by

Senators Sickler, Sorvaag

Representatives Sanford, Swiontek

1 A BILL for an Act to amend and reenact sections 15-54.1-01, 15-54.1-02, 15-54.1-03, and  
2 15-54.1-04 of the North Dakota Century Code, relating to the university system capital building  
3 fund; to repeal section 15-54.1-05 of the North Dakota Century Code, relating to the university  
4 system capital building fund pool; to provide for a transfer; and to provide legislative intent.

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

6 **SECTION 1. AMENDMENT.** Section 15-54.1-01 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **15-54.1-01. University system capital building fund - Creation - Continuing**  
9 **appropriation.**

10 There is created in the state treasury the university system capital building fund. The  
11 university system capital building fund consists of moneys transferred to the fund and any  
12 interest and earnings of the fund. The state board of higher education may provide for the fund  
13 to be invested under the supervision of the state investment board. Moneys in the fund are  
14 appropriated to the state board of higher education on a continuing basis for allocations to the  
15 institutions under the control of the state board of higher education for capital projects as  
16 directed by the legislative assembly and in accordance with this chapter. Any interest or  
17 earnings of the fund must be allocated to ~~the capital building fund pool~~ tier II for each institution  
18 within the university system capital building fund and is subject to matching requirements under  
19 this chapter.

20 **SECTION 2. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22 **15-54.1-02. Capital building funds - Uses - Reports.**

23 Subject to tier II and tier III capital building fund matching requirements under this chapter,  
24 each institution may use its allocation of funds from the university system capital building fund

1 for projects specifically authorized by the legislative assembly to use university system capital  
2 building fund moneys. In addition, ~~after an institution has matched and committed seventy-five~~  
3 ~~percent of the funding appropriated for the institution's tier I extraordinary repairs and~~ subject to  
4 state board of higher education approval and matching requirements under this chapter, each  
5 institution may use its tier II allocation of funds from the university system capital building fund  
6 for extraordinary repairs and deferred maintenance projects, including bond payments for these  
7 projects, for academic and student housing facilities that do not increase the overall square  
8 footage of a building. The state board of higher education shall report biennially to the legislative  
9 management and to the appropriations committees of the legislative assembly on the use of  
10 funding in the university system capital building fund, the source of matching funds, and each  
11 institution's five-year plan for capital construction spending.

12 **SECTION 3. AMENDMENT.** Section 15-54.1-03 of the North Dakota Century Code is  
13 amended and reenacted as follows:

14 **15-54.1-03. Tier II capital building funds - Matching requirements.**

15 The state board of higher education may allocate tier II capital building fund moneys to an  
16 institution, excluding the university of North Dakota and North Dakota state university, for a  
17 project only after the institution provides one dollar of matching funds from operations or other  
18 sources for each one dollar from the university system capital building fund for the project. The  
19 state board of higher education may allocate tier II capital building fund moneys to the university  
20 of North Dakota and North Dakota state university for a project only after the institution provides  
21 two dollars of matching funds from operations or other sources for each one dollar from the  
22 university system capital building fund for the project. An institution may not use tier I  
23 extraordinary repairs funding, tier III capital building fund moneys, or state funding appropriated  
24 for a specific capital project as matching funds under this section.

25 **SECTION 4. AMENDMENT.** Section 15-54.1-04 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27 **15-54.1-04. Tier III capital building funds - Matching requirements.**

28 The state board of higher education may allocate tier III capital building fund moneys to an  
29 institution, excluding the university of North Dakota and North Dakota state university, only after  
30 the institution provides ~~two dollars~~ one dollar of matching funds from operations or other sources  
31 for ~~each one dollar~~ every nine dollars from the university system capital building fund for the

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

7 **SECTION 5. REPEAL.** Section 15-54.1-05 of the North Dakota Century Code is repealed.

8 **SECTION 6. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**  
9 **UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget  
10 shall transfer \$65,000,000 from the strategic investment and improvements fund to the  
11 university system capital building fund during the period beginning with the effective date of this  
12 Act, and ending June 30, 2027, as requested by the commissioner of higher education. Funding  
13 transferred pursuant to this section is to be allocated to each institution as follows:

	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
14 Bismarck state college	\$638,540	\$3,500,000	\$4,138,540
15 Lake Region state college	266,062	2,500,000	2,766,062
16 Williston state college	206,920	2,500,000	2,706,920
17 University of North Dakota	6,542,702	12,250,000	18,792,702
18 North Dakota state university	4,349,394	12,250,000	16,599,394
19 North Dakota state college of science	751,042	3,500,000	4,251,042
20 Dickinson state university	403,293	2,500,000	2,903,293
21 Mayville state university	360,044	2,500,000	2,860,044
22 Minot state university	859,202	3,500,000	4,359,202
23 Valley City state university	463,705	2,500,000	2,963,705
24 Dakota college at Bottineau	<u>159,096</u>	<u>2,500,000</u>	<u>2,659,096</u>
25 Total	\$15,000,000	\$50,000,000	\$65,000,000

26 **SECTION 7. LEGISLATIVE INTENT - UNIVERSITY SYSTEM CAPITAL BUILDING**  
27 **FUND - TIER III.** It is the intent of the sixty-ninth legislative assembly that the seventieth  
28 legislative assembly appropriate \$80,000,000 from state funds for tier III of the university  
29 system capital building fund for the biennium beginning July 1, 2027, and ending June 30, 2029.  
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