

**North Dakota University System office  
Budget No. 215  
Senate Bill No. 2003, House Bill No. 1394**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2009-11 executive budget (bills as introduced)	21.30	\$108,080,088	\$4,069,558	\$112,149,646
<b>2009-11 legislative appropriations</b>	<b>21.30</b>	<b>88,758,682</b>	<b>4,748,958</b>	<b>93,507,640</b>
Legislative increase (decrease) to executive budget	0.00	(\$19,321,406)	\$679,400	(\$18,642,006)
Legislative increase (decrease) to 2007-09 appropriations	1.30	\$20,157,564	(\$1,368,572)	\$18,788,992

**ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS**

	<b>Ongoing General Fund Appropriation</b>	<b>One-Time General Fund Appropriation</b>	<b>Total General Fund Appropriation</b>
2007-09 legislative appropriations	\$65,131,118	\$3,470,000	\$68,601,118
<b>2009-11 legislative appropriations</b>	<b>88,758,682</b>	<b>0</b>	<b>88,758,682</b>
2009-11 legislative increase (decrease) to 2007-09 appropriations	\$23,627,564	(\$3,470,000)	\$20,157,564
Percentage increase (decrease) to 2007-09 appropriations	36.3%	(100.0%)	29.4%
2009-11 legislative increase (decrease) to executive budget	(\$15,321,406)	(\$4,000,000)	(\$19,321,406)
Percentage increase (decrease) to executive budget	(14.7%)	(100.0%)	(17.9%)

**SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS**

**Salaries and Wages**

The North Dakota University System budget request included funding for parity to provide for inflationary costs, including the general fund share of salary and health insurance increases. This method of funding these costs was not changed by the executive budget or the Legislative Assembly.

	<b>Major Items FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
The legislative action:				
Increased funding for the competitive research program (see <b>Competitive Research</b> section below)		\$600,000		\$600,000
Provided funding for a science, technology, mathematics, and engineering teacher education pool		1,500,000		1,500,000
Removed one-time funding designated for a security and emergency preparedness pool		(4,000,000)		(4,000,000)

Added ongoing funding for security and emergency preparedness	750,000		750,000
Adjusted the amount of funding provided to system information technology services from the student loan trust fund		(\$20,600)	(20,600)
Changed the funding source for tribal college assistance grants from the general fund to the permanent oil tax trust fund. (The special funds appropriation was included in House Bill No. 1394.)	(700,000)	700,000	0
Reduced funding for needs-based financial aid (see <b>Student Financial Assistance Grants</b> section below)	(20,274,406)		(20,274,406)
Reduced funding for student financial assistance programs (see <b>Student Financial Assistance Grants</b> section below)	(1,997,000)		(1,997,000)
Added funding for academic and technical education scholarships (see <b>Career and Technical Education and Academic Scholarships</b> section below)	3,000,000		3,000,000
Added funding for two-year college marketing and awareness	800,000		800,000
Added funding to expand the technology occupations loan forgiveness program	1,000,000		1,000,000
Total	<u>0.00</u>	<u>(\$19,321,406)</u>	<u>\$679,400</u>

#### FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 21.3 FTE positions, an increase of 1.3 FTE positions from the authorized number of FTE positions for the 2007-09 biennium. The increase in FTE positions reflects the adjustment in the number of FTE positions to the level supported by the general fund. Pursuant to Section 20 of Senate Bill No. 2003, the State Board of Higher Education is authorized to adjust FTE positions as needed for institutions and entities of higher education. Any FTE adjustment must be reported to the Office of Management and Budget prior to the submission of the 2011-13 budget request.

#### One-Time Funding

In Section 7 of Senate Bill No. 2003, the Legislative Assembly identified \$59,233,248 from the general fund and \$10,400,000 from the permanent oil tax trust fund for one-time funding items for the University System. These amounts are not to be considered part of the University System's base budget for preparing the 2009-11 executive budget and the University System is to report to the Appropriations Committees during the 2011 legislative session on the use of this funding. The table below summarizes one-time funding provided to the University System from the general fund and the permanent oil tax trust fund:

	General Fund	Permanent Oil Tax Trust Fund	Total
Deferred maintenance (higher education institutions)	\$20,000,000		\$20,000,000
Capital projects (higher education institutions)	36,008,248	\$10,400,000	46,408,248
Campus master plan development (higher education institutions)	3,000,000		3,000,000
UND School of Medicine and Health Sciences electronic records project	225,000		225,000
Total	\$59,233,248	\$10,400,000	\$69,633,248

### Competitive Research

The Legislative Assembly provided funding of \$7,050,000 from the general fund for competitive research. The \$7,050,000 is \$600,000 more than the executive recommendation of \$6,450,000 and \$1,400,000 more than the 2007-09 biennium legislative appropriation of \$5,650,000. The following is a summary of funding for the competitive research program:

Biennium	General Fund
1995-97	\$1,980,000
1997-99	\$1,980,000
1999-2001	\$1,971,000
2001-03	\$4,000,000
2003-05	\$4,750,000 <sup>1</sup>
2005-07	\$5,190,000
2007-09	\$5,650,000
2009-11	\$7,050,000 <sup>2</sup>

<sup>1</sup>The 2003 Legislative Assembly provided that \$100,000 of the \$4,750,000 be used for a public private partnership for establishment of a design center at the University of North Dakota.

<sup>2</sup>The 2009 Legislative Assembly provided that \$400,000 of the \$7,050,000 be used for the National Aeronautics and Space Administration Experimental Program to Stimulate Competitive Research.

### System Governance

The Legislative Assembly provided \$7,185,612, of which \$6,909,502 is from the general fund and \$276,110 is from special funds, for system governance. The \$7,185,612 is the same amount provided in the executive recommendation and \$1,302,218 more than the 2007-09 biennium appropriation of \$5,883,394. The following is a summary of the funding for system governance:

	2009-11 Legislative Appropriation		
	General Fund	Special Funds	Total
2007-09 biennium adjusted appropriation	\$6,121,823	\$249,000	\$6,370,823
Provide funding for costs to continue fiscal year 2009 legislatively authorized salary increases	82,570	3,630	86,200
Provide funding for salary increases of 5 percent per year	269,955	16,100	286,055
Provide funding for estimated health insurance premium increases	69,741	5,570	75,311
Provide funding for operating inflation of 2 percent for fiscal year 2010 and 2.2 percent for fiscal year 2011	40,406	1,810	42,216
Provide funding for operating expenses increase, including increases in Western Interstate Commission on Higher Education and Midwestern Higher Education Compact dues	21,000		21,000
Provide funding for disabled student services	150,000		150,000
Increase funding for FINDET	154,007		154,007
2009-11 biennium appropriation	\$6,909,502	\$276,110	\$7,185,612

**System Information Technology Services**

The Legislative Assembly provided \$30,230,038, of which \$29,209,438 is from the general fund and \$1,020,600 is from the student loan trust fund, for support of the Higher Education Computer Network, the Interactive Video Network (IVN), the On-line Dakota Information Network (ODIN), and other related technology initiatives. The funding includes an increase of \$2,306,255 for parity, \$1,220,000 for increased bandwidth costs, and \$1,020,600 for ConnectND support positions. The Legislative Assembly reduced special funds authority by \$20,600 compared to the executive recommendation to reflect actual funding provided from the student loan trust fund.

	<b>2007-09 Biennium Legislative Appropriation</b>	<b>2009-11 Biennium Executive Recommendation</b>	<b>2009-11 Biennium Legislative Appropriation</b>	<b>2009-11 Biennium Legislative Appropriation Increase (Decrease) From 2009-11 Executive Recommendation</b>	<b>2009-11 Biennium Legislative Appropriation Increase (Decrease) From 2007-09 Biennium Legislative Appropriation</b>
General fund	\$28,703,293	\$29,209,438	<b>\$29,209,438</b>		\$506,145
Permanent oil tax trust fund	2,773,800				(2,773,800)
Student loan trust fund		1,041,200	<b>1,020,600</b>	(\$20,600)	1,020,600
<b>Total</b>	<b>\$31,477,093</b>	<b>\$30,250,638</b>	<b>\$30,230,038</b>	(\$20,600)	(\$1,247,055)

**Student Financial Assistance Grants**

The Legislative Assembly provided \$19,374,022 for student financial assistance grants, of which \$19,025,594 is from the general fund and \$348,428 is from federal funds. This represents a \$20,274,406 reduction of funding from the general fund when compared to the executive recommendation to provide total funding of \$39,648,428. The 2009-11 legislative appropriation of \$19,374,022 is \$13,386,525 more than the 2007-09 biennium appropriation of \$5,987,497. The funding will be used to provide grants to students of up to \$1,500 per year. To qualify, a student must be a resident undergraduate student who has graduated from a North Dakota high school and is attending a qualified postsecondary institution in North Dakota. The award of grants is based on student need. The following is a summary of funding for student financial assistance grants:

<b>Biennium</b>	<b>General Fund</b>	<b>Federal Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>
1995-97	\$2,032,478	\$400,000	\$1,350,000	\$3,782,478
1997-99	\$1,495,000	\$410,986	\$2,574,400	\$4,480,386
1999-2001	\$1,735,881	\$140,000	\$2,574,400	\$4,450,281
2001-03	\$2,670,881	\$214,000	\$1,338,150	\$4,223,031
2003-05	\$2,730,215	\$200,000	\$0	\$2,930,215
2005-07	\$3,332,402	\$172,000	\$0	\$3,504,402
2007-09	\$5,823,497	\$164,000	\$0	\$5,987,497
2009-11	\$19,025,594	\$348,428	\$0	\$19,374,022

**Professional Student Exchange Program**

The Legislative Assembly did not change the executive recommendation to provide \$3,337,100, of which \$2,346,130 is from the general fund and \$990,970 is from the student loan trust fund, for the professional student exchange program. The \$3,337,100 is \$614,154 more than the 2007-09 appropriation of \$2,722,946. The Legislative Assembly did not change the executive recommendation to increase funding from the student loan trust fund to continue the existing students in the Kansas State University veterinary medical education program and add 5 additional freshmen in each year of the 2009-11 biennium. The following is a summary of funding for the professional student exchange program:

Biennium	General Fund	Student Loan Trust Fund	Total Funds
1995-97	\$1,326,756		\$1,326,756
1997-99	\$1,389,801		\$1,389,801
1999-2001	\$1,310,716		\$1,310,716
2001-03	\$1,560,716		\$1,560,716
2003-05	\$1,678,300		\$1,678,300
2005-07	\$1,864,780	\$262,500	\$2,127,280
2007-09	\$2,199,566	\$523,380	\$2,722,946
2009-11	\$2,346,130	\$990,970	\$3,337,100

#### Scholars Program

The Legislative Assembly did not change the executive recommendation to provide funding of \$2,113,584 from the general fund for the scholars program. The \$2,113,584 is \$635,018 more than the 2007-09 biennium appropriation of \$1,478,566. The funding is sufficient to continue existing students in the program and provide 53 new freshmen awards in each year of the 2009-11 biennium. The funding will also allow for the one-time distribution of \$2,000 stipends to incoming freshmen. The following is a summary of funding for the scholars program:

Biennium	General Fund	Special Funds	Total Funds
1995-97	\$496,403		\$496,403
1997-99	\$473,786	\$185,500	\$659,286
1999-2001	\$520,730	\$185,500	\$706,230
2001-03	\$770,730		\$770,730
2003-05	\$816,386		\$816,386
2005-07	\$862,077		\$862,077
2007-09	\$1,478,566		\$1,478,566
2009-11	\$2,113,584		\$2,113,584

#### Native American Scholarship Program

The Legislative Assembly did not change the executive recommendation to provide \$381,292 from the general fund for Native American scholarships. The \$381,292 is \$666 more than the 2007-09 biennium appropriation of \$380,626. The funding is expected to be sufficient to provide approximately 238 grants of \$800 per student for each year of the biennium. The following is a summary of funding for the Native American scholarship program:

Biennium	General Fund
1995-97	\$200,000
1997-99	\$204,000
1999-2001	\$204,082
2001-03	\$204,082
2003-05	\$204,086
2005-07	\$251,988
2007-09	\$380,626
2009-11	\$381,292

#### Education Incentive Programs

The Legislative Assembly provided \$3,176,344 from the general fund for education incentive programs, an increase of \$1,436,030 from the 2007-09 biennium appropriation of \$1,740,314. This amount represents a decrease of \$997,000 from the 2009-11 executive budget recommendation for education incentive programs of \$4,173,344. Section 21 of Senate Bill No. 2003 provides that the funding of \$3,176,344 may be allocated to education incentive programs as determined by the State Board of Higher Education. The board may determine the appropriate number of years of program eligibility for each education incentive program.

**Career and Technical Education and Academic Scholarships**

The Legislative Assembly provided \$3 million from the general fund for career and technical education and academic scholarships as outlined in House Bill No. 1400. The funding will provide scholarships of up to \$1,500 per year, up to a maximum of \$6,000 per student, to residents of the state who attend a North Dakota higher education institution and meet program criteria. Section 37 of Senate Bill No. 2003 requires the State Board of Higher Education to provide an annual report to the Legislative Council regarding the program.

**Capital Assets**

The Legislative Assembly provided \$12,014,048, of which \$11,296,798 is from the general fund and \$717,250 is from special funds, for University System office capital assets. The following is a summary of the 2009-11 legislative appropriation compared to the 2009-11 executive recommendation and the 2007-09 legislative appropriation:

	<b>2007-09 Biennium Legislative Appropriation</b>	<b>2009-11 Biennium Executive Recommendation</b>	<b>2009-11 Biennium Legislative Appropriation</b>	<b>2009-11 Biennium Legislative Appropriation Increase (Decrease) From 2009-11 Biennium Executive Recommendation</b>	<b>2009-11 Biennium Legislative Appropriation Increase (Decrease) From 2007-09 Biennium Legislative Appropriation</b>
Capital construction lease payments	\$15,754,112	\$12,014,048	\$12,014,048	\$0	(\$3,740,064)
Master capital plan and deferred maintenance (Mayville State University)	750,000				(750,000)
<b>Total</b>	<b>\$16,504,112</b>	<b>\$12,014,048</b>	<b>\$12,014,048</b>	<b>\$0</b>	<b>(\$4,490,064)</b>
General fund	\$15,474,362	\$11,296,798	\$11,296,798	\$0	(\$4,177,564)
Special funds	1,029,750	717,250	717,250	0	(312,500)
<b>Total</b>	<b>\$16,504,112</b>	<b>\$12,014,048</b>	<b>\$12,014,048</b>	<b>\$0</b>	<b>(\$4,490,064)</b>

**Capital Improvements**

The following schedule presents the higher education capital improvement funding contained in the 2009-11 executive recommendation and the appropriations approved by the Legislative Assembly for the 2009-11 biennium:

<b>Entity/Project</b>	<b>2009-11 Executive Recommendation</b>		<b>2009-11 Legislative Appropriations</b>	
	<b>General Fund</b>	<b>Special Funds</b>	<b>General Fund</b>	<b>Special Funds</b>
<b>Bismarck State College</b>				
Technical Center renovation	\$3,000,000	\$409,500	\$3,000,000	\$409,500
Extraordinary repairs	584,118		584,118	
<b>Total</b>	<b>\$3,584,118</b>	<b>\$409,500</b>	<b>\$3,584,118</b>	<b>\$409,500</b>
<b>Lake Region State College</b>				
Wind energy project	\$2,609,920		\$2,609,920 <sup>1</sup>	\$2,609,920
Extraordinary repairs	137,469		137,469	
<b>Total</b>	<b>\$2,747,389</b>		<b>\$2,747,389</b>	<b>\$2,609,920</b>

Entity/Project	2009-11 Executive Recommendation		2009-11 Legislative Appropriations	
	General Fund	Special Funds	General Fund	Special Funds
<b>Williston State College</b>				
New dormitory		\$9,375,000		\$9,375,000
Science laboratory renovation	\$1,610,000		\$1,610,000	
Virtual center for career and technical education				6,000,000
Extraordinary repairs	468,477		468,477	
Total	\$2,078,477	\$9,375,000	\$2,078,477	\$15,375,000
<b>University of North Dakota</b>				
College of Business and Public Administration renovation and addition		\$20,500,000		\$20,500,000
Energy and Environmental Research Center storage and support building		1,540,000		1,540,000
Indoor track and practice facility		19,500,000		19,500,000
Relocation and renovation of the Oxford House		750,000		750,000
Renovation and addition to the Education Building	\$11,200,000			11,200,000
Starcher Hall research area emergency generator		600,000		600,000
School of Medicine forensic pathology facility				129,000
School of Medicine Bismarck Family Practice Center				5,400,000
Hangar renovation at the Grand Forks Airport				1,500,000
Extraordinary repairs	9,479,219		9,479,219	
Total	\$20,679,219	\$42,890,000	\$9,479,219	\$61,119,000
<b>North Dakota State University</b>				
Auxiliary enterprises renovation - West dining services		\$7,000,000		\$7,000,000
Bison Sports Arena		25,500,000		25,500,000
Ellig Sports Complex softball field		4,500,000		4,500,000
Niskanen Apartments		20,000,000		20,000,000
Minard Hall - Phase 3	\$13,000,000		\$13,000,000	
Student health services expansion		1,100,000		1,100,000
Extraordinary repairs	7,048,042		7,048,042	
Total	\$20,048,042	\$58,100,000	\$20,048,042	\$58,100,000
<b>State College of Science</b>				
Horton Hall renovation	\$5,700,000		\$5,700,000	
Parking lot 4		\$1,136,000		\$1,136,000
Robertson Hall		6,000,000		6,000,000
Extraordinary repairs	1,787,475		1,787,475	
Total	\$7,487,475	\$7,136,000	\$7,487,475	\$7,136,000

Entity/Project	2009-11 Executive Recommendation		2009-11 Legislative Appropriations	
	General Fund	Special Funds	General Fund	Special Funds
<b>Dickinson State University</b>				
Campuswide master plan	\$2,000,000		\$2,000,000	
Extraordinary repairs	2,045,862		2,045,862	
Total	\$4,045,862		\$4,045,862	
<b>Mayville State University</b>				
Science Building and library renovation and addition	\$4,958,325		\$4,958,325	
Agassiz Hall housing renovation		\$3,668,500		\$3,668,500
Extraordinary repairs	2,119,114		2,119,114	
Total	\$7,077,439	\$3,668,500	\$7,077,439	\$3,668,500
<b>Minot State University</b>				
Parking lot maintenance		\$1,000,000		\$1,000,000
Physical plant building and boiler replacement	\$3,750,000	6,250,000	\$3,750,000	6,250,000
Wellness Center		10,000,000		15,000,000
Swain Hall renovation				5,000,000
Extraordinary repairs	1,191,981		1,191,981	
Total	\$4,941,981	\$17,250,000	\$4,941,981	\$27,250,000
<b>Valley City State University</b>				
W.E. Osmon Fieldhouse Wellness Center - Phase 1		\$15,000,000		\$15,000,000
Campuswide master plan	\$1,000,000		\$1,000,000	
Snoeyenbos Residence Hall renovation project		3,500,000		3,500,000
Extraordinary repairs	1,563,337		1,563,337	
Total	\$2,563,337	\$18,500,000	\$2,563,337	\$18,500,000
<b>Minot State University - Bottineau</b>				
Coal boiler replacement	\$800,000		\$800,000	
Entrepreneurial Center for Horticulture		\$2,000,000		\$2,000,000
Greenhouse repairs			280,000	
Extraordinary repairs	206,746		206,746	
Total	\$1,006,746	\$2,000,000	\$1,286,746	\$2,000,000
<b>Forest Service</b>				
Towner State Nursery greenhouse	\$300,000		\$300,000	
Extraordinary repairs	82,214		82,214	
Total	\$382,214		\$382,214	
<b>Total Higher Education</b>	\$76,642,299	\$159,329,000	\$65,722,299	\$196,167,920

<sup>1</sup>This funding is contingent upon federal stimulus funding not being available for the project.



**Federal Fiscal Stimulus Funding**

In Sections 3 and 4 of Senate Bill No. 2003 and Section 3 of Senate Bill No. 2266, the Legislative Assembly appropriated \$19,309,920 of federal stimulus funding for the following North Dakota University System projects:

	<b>Federal Fiscal Stabilization - Other Government Services Funds</b>	<b>Other Federal Stimulus Funding</b>	<b>Total</b>
University of North Dakota Education Building	\$11,200,000		\$11,200,000
Minot State University Swain Hall	5,000,000		5,000,000
University of North Dakota Nursing Education Consortium	500,000		500,000
Lake Region State College wind energy project		\$2,609,920	2,609,920
<b>Total</b>	<b>\$16,700,000</b>	<b>\$2,609,920</b>	<b>\$19,309,920</b>

The University System may seek Emergency Commission and Budget Section approval for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated. This amount is not to be considered part of the agency's base budget for the 2011-13 biennium. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

**Other Income**

The Legislative Assembly approved the executive recommendation, as provided in Section 16 of Senate Bill No. 2003 and Section 1 of Senate Bill No. 2038, to appropriate on a continuing basis (through June 30, 2011) all other funds, including tuition income, received by the institutions of higher education during the 2009-11 biennium. Consequently, the legislative appropriation for institutions of higher education generally do not include a specific appropriation of other funds, including tuition income.

**Other Sections in Senate Bill No. 2003**

**Lake Region State College contingent appropriation** - Section 2 provides that the general fund appropriation of \$2,609,920 for the Lake Region State College wind energy project is available only to the extent that federal stimulus funding is not available for the project.

**Permanent oil tax trust fund** - Sections 5, 8, and 9 provide that the appropriation for the University System includes funding of \$10,750,000 from the permanent oil tax trust fund, of which \$5,000,000 is for the Williston State College virtual center for career and technical education, \$5,400,000 is for the University of North Dakota School of Medicine and Health Sciences Bismarck Family Practice Center, and \$350,000 is for operations at Dickinson State University.

**Dickinson State University Stoxen Library** - Section 6 provides a contingent general fund appropriation of \$8.8 million to Dickinson State University for a renovation and addition to Stoxen Library. The funding is available only if actual general fund revenues for the period from July 1, 2009, through December 31, 2009, exceed legislative estimates for this period by at least \$25 million as determined by the Office of Management and Budget.

**Forest Service funding** - Section 14 provides that \$826,284 appropriated to the Forest Service from the general fund may only be used to replace federal funding reductions on a dollar-for-dollar basis.

**Student loan trust fund** - Section 15 provides that the appropriation for the University System includes \$2,011,570 from the student loan trust fund for the professional student exchange program (\$990,970) and system information technology services (\$1,020,600).

**Transfer authority** - Sections 17 and 18 allow the State Board of Higher Education to authorize higher education institutions to transfer spending authority from the operations line item to the capital assets line item or deferred maintenance line item or between the deferred maintenance and capital assets line items. Any transfer made must be reported to the Office of Management and Budget.

**Security and emergency preparedness funding** - Section 19 provides that \$750,000 appropriated to the University System office for security and emergency preparedness is to be used for the benefit of higher education institutions.

**FTE positions** - Section 20 provides the State Board of Higher Education with the authority to adjust FTE positions as needed, subject to the availability of funds, for institutions and entities under its control. The University System is to report any adjustments to the Office of Management and Budget prior to the submission of the 2011-13 budget request.

**Minot State University capital assets** - Sections 22 and 23 authorize Minot State University to use \$3,750,000 of funding designated for the coal boiler project on a geothermal system (\$2,500,000) or the Swain Hall renovation project (\$1,250,000).

**Unspent 2007-09 general fund appropriations** - Section 25 requires the State Board of Higher Education to use \$200,000 of University System office unspent 2007-09 biennium general fund appropriation authorized to continue under North Dakota Century Code (NDCC) Section 54-44.1-11 for student retention and marketing efforts at Valley City State University.

**Bond issuance authorization and appropriation** - Section 26 authorizes the State Board of Higher Education to arrange for the issuance of revenue bonds for several higher education capital projects and provides the higher education institutions with the appropriation authority for the revenue bond proceeds.

**Employee compensation adjustments** - Section 27 provides that each University System employee is to receive a minimum annual compensation adjustment of \$100 during the 2009-11 biennium subject to the employee meeting documented performance standards.

**Science, technology, engineering, and mathematics (STEM) teacher education enhancement** - Section 28 provides that funding of \$1.5 million designated for STEM teacher education is to be used for the benefit of institutions under the control of the State Board of Higher Education.

**Technology occupations loan forgiveness program** - Section 29 provides legislative intent that the University System ensure the technology occupations loan forgiveness program is able to support the same amount of students in the future without additional funding from the Legislative Assembly. Section 36 provides statutory changes to expand the existing technology occupations loan forgiveness program to include students pursuing studies in science, engineering, and mathematics.

**Tuition increase limit** - Section 30 provides that the State Board of Higher Education limit any annual tuition increase for students attending institutions under its control for the 2009-10 and 2010-11 academic years to no more than 4 percent for each year unless the board receives prior Budget Section approval.

**Legislative Council studies** - Sections 30, 31, 32, 33, and 34 provide that the Legislative Council study various higher education topic areas, including completion based funding, tuition waivers, governance, and the establishment of a higher education student trust fund.

**Joint education board meetings** - Section 38 amends NDCC 15.1-01-02 regarding joint meetings of the State Board of Public School Education, State Board of Higher Education, Education Standards and Practices Board, and State Board for Career and Technical Education.

**University of North Dakota hangar project** - Section 39 allows the State Board of Higher Education to enter an agreement with a private entity to finance a renovation and addition to the University of North Dakota hangar at the Grand Forks Airport.

### **Related Legislation**

**Special revenue funds, budget requests, appropriations, unspent general fund appropriations, higher education studies, and reporting requirements** - Senate Bill No. 2038 continues through June 30, 2011, the continuing appropriation of higher education institutions' special revenue funds and through July 31, 2011, the authority for the University System to continue at the end of the biennium unspent general fund appropriations and the requirement that the budget request and appropriation of the University System include block grants for a base funding component, an initiative funding component, and an asset funding component. The bill also provides for a Legislative Council study of higher education, provides for reporting requirements, and provides performance and accountability measures to be included in the State Board of Higher Education performance and accountability report pursuant to NDCC Section 15-10-14.2.

**Financial assistance to tribally controlled community colleges** - House Bill No. 1394 provides a \$700,000 special funds appropriation from the permanent oil tax trust fund to the State Board of Higher Education for providing grant assistance payments to tribally controlled community colleges to defray the costs of education associated with enrollment of nonbeneficiary students.

**Hearing-impaired student services** - Senate Bill No. 2155 provides a \$200,000 appropriation to the School for the Deaf to provide grants to institutions under the control of the State Board of Higher Education for services provided to hearing-impaired students.

**Nursing Education Consortium** - Senate Bill No. 2266 provides a \$500,000 federal stimulus funds appropriation to the University of North Dakota for the costs of developing a nursing education simulation laboratory initiative.