

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1003

Page 1, line 3, remove "to authorize the industrial commission to issue and sell bonds for capital"

Page 1, line 4, remove "projects;" and after the third semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "14,100,689" with "12,790,689"

Page 1, line 20, remove "and centers for excellence" and replace "7,000,000" with "4,100,000"

Page 1, after line 20, insert:

"Centers for excellence 1,900,000"

Page 1, line 21, replace "435,306" with "485,306"

Page 1, line 22, replace "4,479,337" with "4,472,850"

Page 1, line 24, replace "26,135,148" with "25,089,639"

Page 1, after line 24, insert:

"Operations pool 2,000,000"

Page 2, line 3, replace "4,430,215" with "2,930,215"

Page 2, line 5, replace "816,368" with "1,066,368"

Page 2, line 8, replace "64,407,816" with "61,845,820"

Page 2, line 9, replace "5,355,507" with "3,855,507"

Page 2, line 10, replace "59,052,309" with "57,990,313"

Page 2, line 14, replace "15,493,038" with "15,462,327"

Page 2, line 15, replace "15,743,038" with "15,712,327"

Page 2, line 19, replace "4,963,824" with "4,957,682"

Page 2, line 20, replace "5,008,655" with "5,002,513"

Page 2, line 24, replace "5,319,181" with "5,312,371"

Page 2, line 25, replace "5,407,971" with "5,401,161"

Page 2, line 29, replace "84,584,943" with "84,733,126"

Page 2, remove lines 30 and 31

Page 3, line 1, replace "117,347,079" with "117,395,262"

Page 3, line 3, replace "87,047,079" with "87,095,262"

Page 3, line 7, replace "66,875,983" with "66,826,959"

Page 3, line 8, replace "83,613,514" with "83,564,490"

Page 3, line 10, replace "68,613,514" with "68,564,490"

Page 3, line 14, replace "23,774,891" with "23,736,824"

Page 3, line 15, replace "28,217,311" with "28,179,244"

Page 3, line 17, replace "24,548,391" with "24,510,324"

Page 3, line 21, replace "13,590,878" with "13,573,831"

Page 3, line 22, replace "18,984,840" with "18,967,793"

Page 3, line 24, replace "13,984,840" with "13,967,793"

Page 3, line 27, replace "364,589" with "414,589"

Page 3, line 28, replace "8,349,835" with "8,427,335"

Page 3, remove line 29

Page 3, line 30, replace "8,764,424" with "8,841,924"

Page 4, line 2, replace "8,614,424" with "8,691,924"

Page 4, line 6, replace "25,554,142" with "25,519,578"

Page 4, line 7, replace "26,166,992" with "26,132,428"

Page 4, line 11, replace "11,144,078" with "11,304,672"

Page 4, line 12, replace "11,409,412" with "11,570,006"

Page 4, line 15, replace "112,663" with "209,663"

Page 4, line 16, replace "4,057,001" with "4,052,856"

Page 4, line 17, replace "4,169,664" with "4,262,519"

Page 4, line 21, replace "30,268,879" with "29,990,865"

Page 4, line 22, replace "30,268,879" with "29,990,865"

Page 4, line 26, replace "2,717,215" with "2,715,016"

Page 4, line 27, replace "2,863,276" with "2,861,077"

Page 4, line 29, replace "1,773,275" with "1,771,076"

Page 4, line 30, replace "361,808,443" with "360,663,001"

Page 5, line 1, replace "112,046,775" with "102,524,428"

Page 5, line 2, replace "473,855,218" with "463,187,429"

Page 5, line 3, replace "\$435,306" with "\$485,306"

Page 5, line 8, replace "\$14,100,689" with "\$12,790,689"

Page 5, line 11, replace "and by the industrial commission to establish an escrow account as authorized in" with a period

Page 5, remove line 12

Page 5, line 13, replace "\$26,135,148" with "\$25,089,639"

Page 5, after line 20, insert:

"SECTION 5. OPERATIONS POOL. The sum of \$2,000,000, or so much of the sum as may be necessary, included in the operations pool line item in subdivision 1 of section 1 of this Act, is to be allocated by the state board of higher education to the entities included in section 1."

Page 5, line 30, after the period insert "All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2003, and ending June 30, 2005, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board and for student financial assistance grants, as determined by the board."

Page 6, line 24, remove the second "the"

Page 6, line 25, remove "purpose of repaying principal and interest on" and replace "loans from the Bank of North" with "costs"

Page 6, line 26, remove "Dakota, pursuant to section 54-16-13"

Page 7, line 12, after "center" insert "and athletic complex" and replace "\$8,000,000" with "\$21,000,000"

Page 7, remove line 13

Page 7, remove lines 21 through 31

Page 8, remove lines 1 through 15

Page 9, remove lines 11 and 12

Page 9, remove line 23

Page 9, line 24, replace "e." with "d."

Page 9, line 25, replace "f." with "e."

Page 9, line 26, replace "g." with "f."

Page 10, line 15, replace "\$13,258,969" with "\$14,258,969"

Page 10, line 21, remove "- **CENTERS FOR EXCELLENCE**"

Page 10, line 22, remove "and centers for excellence"

Page 10, line 23, replace "\$5,000,000 for the competitive research program and \$2,000,000" with "\$100,000"

Page 10, line 24, replace "research efforts that focus on research that will have a positive impact on the" with "for establishment of a design center at the university of North Dakota. Federal and private matching funds totaling \$300,000 must be leveraged by the North Dakota university system prior to June 30, 2004, or the funding is to be made available for other competitive research initiatives.

SECTION 18. CENTERS FOR EXCELLENCE. The centers for excellence line item in subdivision 1 of section 1 of this Act includes \$1,400,000 for the John D. Odegard center for aerospace science - center of excellence in multimedia technology and \$500,000 is for future centers for excellence. Of the \$1,400,000, \$206,000 is for the expanded air service enterprise - upper great plains air taxi service. Federal matching funding relating to the expanded air service enterprise - upper great plains air taxi service must be leveraged by the North Dakota university system prior to June 30, 2004, or the funding is to be made available for other centers for excellence. The funding for future centers for excellence is to be distributed by the state board of higher education based on determination of centers for excellence by the department of commerce foundation board.

SECTION 19. EDUCATION INCENTIVE PROGRAMS. The funding appropriated for education incentive programs may be allocated to education incentive programs as determined by the state board of higher education, including the reduction or elimination of specific programs, and the state board of higher education may determine the appropriate number of years of program eligibility for each education incentive program.

SECTION 20. TRANSFER AUTHORITY. If, during the biennium beginning July 1, 2003, and ending June 30, 2005, the state board of higher education determines that funds allocated to institution operations in section 1 of this Act are needed for capital projects or extraordinary repairs, the board may transfer funds from operations to capital assets. The board shall report any transfer of funds under this section to the office of management and budget.

SECTION 21. LEGISLATIVE COUNCIL STUDY - HIGHER EDUCATION. The legislative council shall consider continuing the study of higher education during the 2003-04 interim. If conducted, the study may include the use of the higher education roundtable format. The study should further refine the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet those expectations and needs, and the accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 22. CONSTRUCTION OF BASKETBALL ARENA - APPROVAL.

The state board of higher education may approve amendments to terms of the agreement entered under chapter 159 of the 1999 Session Laws and may authorize the construction of a basketball arena on the site authorized under that legislation for the university of North Dakota to be financed with private funds.

SECTION 23. PURCHASE OF HOTEL - APPROVAL.

The state board of higher education may authorize the university of North Dakota to purchase a hotel and land upon which the hotel is located within the city of Grand Forks for use as a student residence facility for a sum not to exceed \$1,200,000, under terms approved by the board. The university of North Dakota may utilize available housing reserve funds for the purchase.

SECTION 24. MAYVILLE STATE UNIVERSITY - FIELDHOUSE

RENOVATION AND ADDITION - REVENUE NOTE. The state board of higher education may, as an alternative to issuing revenue bonds to finance the Mayville state university fieldhouse renovation and addition authorized in section 13 of this Act, enter an agreement or agreements and do all things necessary to finance this improvement with a tax-exempt revenue note, under terms and conditions acceptable to the board. The proceeds of the revenue note must be used to pay all or part of the cost of construction, equipment, and furnishing of the Mayville state university fieldhouse, costs of issuance, interest, and any reasonable required reserve. The note may be issued based on the pledge of revenues generated by the fieldhouse, student fees, local sales tax revenues dedicated to the improvement, and assignment of capital campaign collections or other private funds. A revenue note authorized by this section may not constitute a direct obligation of the state or any agency or political subdivision of the state within the meaning of any statutory or constitutional provision. The principal and interest on the note must be payable solely from revenues generated by the fieldhouse, student fees, local sales tax revenues dedicated to the improvement, and assignment of capital campaign collections or other private funds.

SECTION 25. LEGISLATIVE INTENT - UNIVERSITY OF NORTH DAKOTA

SCHOOL OF MEDICINE AND HEALTH SCIENCES. It is the intent of the fifty-eighth legislative assembly that funding of \$395,000 included in the operations line item in subdivision 13 of section 1 of this Act is considered one-time funding and the funding is not to be included in the university of North Dakota school of medicine and health sciences base funding for determination of funding requests for the 2005-07 biennium."

Page 10, remove lines 25 and 26

Page 20, line 22, after "assets" insert "and contingency and capital emergency"

Page 20, line 23, replace the first comma with "and" and remove ", and 14"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
University System office				
Total all funds	\$467,577,358	\$64,407,816	(\$2,561,996)	\$61,845,820
Less estimated income	<u>115,498,722</u>	<u>5,355,507</u>	<u>(1,500,000)</u>	<u>3,855,507</u>
General fund	\$352,078,636	\$59,052,309	(\$1,061,996)	\$57,990,313

Bismarck State College				
Total all funds	\$0	\$17,528,038	(\$30,711)	\$17,497,327
Less estimated income		<u>1,785,000</u>		<u>1,785,000</u>
General fund	\$0	\$15,743,038	(\$30,711)	\$15,712,327
Lake Region State College				
Total all funds	\$0	\$5,383,655	(\$6,142)	\$5,377,513
Less estimated income		<u>375,000</u>		<u>375,000</u>
General fund	\$0	\$5,008,655	(\$6,142)	\$5,002,513
Williston State College				
Total all funds	\$0	\$5,407,971	(\$6,810)	\$5,401,161
Less estimated income		<u></u>		<u></u>
General fund	\$0	\$5,407,971	(\$6,810)	\$5,401,161
University of North Dakota				
Total all funds	\$0	\$140,347,079	\$48,183	\$140,395,262
Less estimated income		<u>53,300,000</u>		<u>53,300,000</u>
General fund	\$0	\$87,047,079	\$48,183	\$87,095,262
UND Medical Center				
Total all funds	\$0	\$30,268,879	(\$278,014)	\$29,990,865
Less estimated income		<u></u>		<u></u>
General fund	\$0	\$30,268,879	(\$278,014)	\$29,990,865
North Dakota State University				
Total all funds	\$0	\$94,613,514	(\$49,024)	\$94,564,490
Less estimated income		<u>26,000,000</u>		<u>26,000,000</u>
General fund	\$0	\$68,613,514	(\$49,024)	\$68,564,490
State College of Science				
Total all funds	\$0	\$28,217,311	(\$38,067)	\$28,179,244
Less estimated income		<u>3,668,920</u>		<u>3,668,920</u>
General fund	\$0	\$24,548,391	(\$38,067)	\$24,510,324
Dickinson State University				
Total all funds	\$0	\$24,866,887	(\$5,899,094)	\$18,967,793
Less estimated income		<u>10,882,047</u>		<u>5,000,000</u>
General fund	\$0	\$13,984,840	(\$17,047)	\$13,967,793
Mayville State University				
Total all funds	\$0	\$14,119,424	(\$1,277,500)	\$12,841,924
Less estimated income		<u>5,505,000</u>		<u>4,150,000</u>
General fund	\$0	\$8,614,424	\$77,500	\$8,691,924
Minot State University				
Total all funds	\$0	\$26,166,992	(\$34,564)	\$26,132,428
Less estimated income		<u></u>		<u></u>
General fund	\$0	\$26,166,992	(\$34,564)	\$26,132,428
Valley City State University				
Total all funds	\$0	\$15,494,712	(\$624,706)	\$14,870,006
Less estimated income		<u>4,085,300</u>		<u>3,300,000</u>
General fund	\$0	\$11,409,412	\$160,594	\$11,570,006
Minot State University - Bottineau				
Total all funds	\$0	\$4,169,664	\$92,855	\$4,262,519
Less estimated income		<u></u>		<u></u>
General fund	\$0	\$4,169,664	\$92,855	\$4,262,519
Forest Service				
Total all funds	\$2,915,258	\$2,863,276	(\$2,199)	\$2,861,077
Less estimated income	<u>1,090,001</u>	<u>1,090,001</u>		<u>1,090,001</u>
General fund	\$1,825,257	\$1,773,275	(\$2,199)	\$1,771,076
Bill Total				
Total all funds	\$470,492,616	\$473,855,218	(\$10,667,789)	\$463,187,429
Less estimated income	<u>116,588,723</u>	<u>112,046,775</u>		<u>102,524,428</u>
General fund	\$353,903,893	\$361,808,443	(\$1,145,442)	\$360,663,001

House Bill No. 1003 - General Fund Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
University System office	\$352,078,636	\$59,052,309	(\$1,061,996)	\$57,990,313
Bismarck State College		15,743,038	(30,711)	15,712,327
Lake Region State College		5,008,655	(6,142)	5,002,513
Williston State College		5,407,971	(6,810)	5,401,161
University of North Dakota		87,047,079	48,183	87,095,262
UND Medical Center		30,268,879	(278,014)	29,990,865
North Dakota State University		68,613,514	(49,024)	68,564,490
State College of Science		24,548,391	(38,067)	24,510,324
Dickinson State University		13,984,840	(17,047)	13,967,793
Mayville State University		8,614,424	77,500	8,691,924
Minot State University		26,166,992	(34,564)	26,132,428
Valley City State University		11,409,412	160,594	11,570,006
Minot State University - Bottineau		4,169,664	92,855	4,262,519
Forest Service	<u>1,825,257</u>	<u>1,773,275</u>	<u>(2,199)</u>	<u>1,771,076</u>
Total general fund	\$353,903,893	\$361,808,443	(\$1,145,442)	\$360,663,001

Detail of Senate Changes to the General Fund

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	REMOVES FUNDING FOR CAPITAL ASSETS 3	ADJUSTS FUNDING FOR COMPETITIVE RESEARCH PROGRAM AND CENTERS FOR EXCELLENCE 4	RESTORES FUNDING FOR BOARD INITIATIVES 5	PROVIDES FUNDING FOR OPERATIONS POOL 6
University System office	(\$2,064)	(\$1,049,932)	(\$1,310,000)	(\$1,000,000)	\$50,000	\$2,000,000
Bismarck State College		(30,711)				
Lake Region State College		(6,142)				
Williston State College		(6,810)				
University of North Dakota		(101,817)			(50,000)	
UND Medical Center		(28,014)				
North Dakota State University		(49,024)				
State College of Science		(38,067)				
Dickinson State University		(17,047)				
Mayville State University		(22,500)				
Minot State University		(34,564)				
Valley City State University		(39,406)				
Minot State University - Bottineau		(4,145)				
Forest Service	<u>(1,961)</u>	<u>(238)</u>				
Total general fund	(\$4,025)	(\$1,428,417)	(\$1,310,000)	(\$1,000,000)	\$0	\$2,000,000

	ADJUSTS FUNDING FOR CAPITAL ASSETS 7	ADJUSTS FUNDING FOR STUDENT GRANT PROGRAMS 8	RESTORES FUNDING FOR CAMPUS OPERATIONS 9	REMOVES FUNDING FOR MARKETING INITIATIVE 10	TOTAL GENERAL FUND CHANGES
University System office		\$250,000			(\$1,061,996)
Bismarck State College					(30,711)
Lake Region State College					(6,142)
Williston State College					(6,810)
University of North Dakota			\$250,000	(\$50,000)	48,183
UND Medical Center			(250,000)		(278,014)
North Dakota State University					(49,024)
State College of Science					(38,067)
Dickinson State University					(17,047)
Mayville State University			100,000		77,500
Minot State University					(34,564)
Valley City State University			200,000		160,594
Minot State University - Bottineau	\$97,000				92,855
Forest Service					<u>(2,199)</u>
Total general fund	\$97,000	\$250,000	\$300,000	(\$50,000)	(\$1,145,442)

House Bill No. 1003 - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
University System office	\$115,498,722	\$5,355,507	(\$1,500,000)	\$3,855,507
Bismarck State College		1,785,000		1,785,000
Lake Region State College		375,000		375,000
Williston State College				
University of North Dakota		53,300,000		53,300,000
UND Medical Center				
North Dakota State University		26,000,000		26,000,000
State College of Science		3,668,920		3,668,920
Dickinson State University		10,882,047	(5,882,047)	5,000,000
Mayville State University		5,505,000	(1,355,000)	4,150,000
Minot State University				
Valley City State University		4,085,300	(785,300)	3,300,000
Minot State University - Bottineau				
Forest Service	<u>1,090,001</u>	<u>1,090,001</u>		<u>1,090,001</u>
Total other funds	\$116,588,723	\$112,046,775	(\$9,522,347)	\$102,524,428

Detail of Senate Changes to Other Funds

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ²	REMOVES FUNDING FOR CAPITAL ASSETS ³	ADJUSTS FUNDING FOR COMPETITIVE RESEARCH PROGRAM AND CENTERS FOR EXCELLENCE ⁴	RESTORES FUNDING FOR BOARD INITIATIVES ⁵	PROVIDES FUNDING FOR OPERATIONS POOL ⁶
University System office						
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota						
UND Medical Center						
North Dakota State University						
State College of Science						
Dickinson State University			(\$5,882,047)			
Mayville State University			(1,355,000)			
Minot State University						
Valley City State University			(785,300)			
Minot State University - Bottineau						
Forest Service						
Total other funds	\$0	\$0	(\$8,022,347)	\$0	\$0	\$0

	ADJUSTS FUNDING FOR CAPITAL ASSETS ⁷	ADJUSTS FUNDING FOR STUDENT GRANT PROGRAMS ⁸	RESTORES FUNDING FOR CAMPUS OPERATIONS ⁹	REMOVES FUNDING FOR MARKETING INITIATIVE ¹⁰	TOTAL OTHER FUNDS CHANGES
University System office		(\$1,500,000)			(\$1,500,000)
Bismarck State College					
Lake Region State College					
Williston State College					
University of North Dakota					
UND Medical Center					
North Dakota State University					
State College of Science					
Dickinson State University					(5,882,047)
Mayville State University					(1,355,000)
Minot State University					
Valley City State University					(785,300)
Minot State University - Bottineau					
Forest Service					
Total other funds	\$0	(\$1,500,000)	\$0	\$0	(\$9,522,347)

House Bill No. 1003 - All Funds Summary

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
University System office	\$467,577,358	\$64,407,816	(\$2,561,996)	\$61,845,820
Bismarck State College		17,528,038	(30,711)	17,497,327
Lake Region State College		5,383,655	(6,142)	5,377,513
Williston State College		5,407,971	(6,810)	5,401,161
University of North Dakota		140,347,079	48,183	140,395,262
UND Medical Center		30,268,879	(278,014)	29,990,865
North Dakota State University		94,613,514	(49,024)	94,564,490
State College of Science		28,217,311	(38,067)	28,179,244
Dickinson State University		24,866,887	(5,899,094)	18,967,793
Mayville State University		14,119,424	(1,277,500)	12,841,924
Minot State University		26,166,992	(34,564)	26,132,428
Valley City State University		15,494,712	(624,706)	14,870,006
Minot State University - Bottineau		4,169,664	92,855	4,262,519
Forest Service	<u>2,915,258</u>	<u>2,863,276</u>	<u>(2,199)</u>	<u>2,861,077</u>
Total all funds	\$470,492,616	\$473,855,218	(\$10,667,789)	\$463,187,429
FTE	2,400.38	2,400.38	0.00	2,400.38

Detail of Senate Changes to All Funds

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ²	REMOVES FUNDING FOR CAPITAL ASSETS ³	ADJUSTS FUNDING FOR COMPETITIVE RESEARCH PROGRAM AND CENTERS FOR EXCELLENCE ⁴	RESTORES FUNDING FOR BOARD INITIATIVES ⁵	PROVIDES FUNDING FOR OPERATIONS POOL ⁶
University System office	(\$2,064)	(\$1,049,932)	(\$1,310,000)	(\$1,000,000)	\$50,000	\$2,000,000
Bismarck State College		(30,711)				
Lake Region State College		(6,142)				
Williston State College		(6,810)				
University of North Dakota		(101,817)			(50,000)	
UND Medical Center		(28,014)				
North Dakota State University		(49,024)				
State College of Science		(38,067)				
Dickinson State University		(17,047)	(5,882,047)			
Mayville State University		(22,500)	(1,355,000)			
Minot State University		(34,564)				
Valley City State University		(39,406)	(785,300)			
Minot State University - Bottineau		(4,145)				
Forest Service	(1,961)	(238)				
Total all funds	(\$4,025)	(\$1,428,417)	(\$9,332,347)	(\$1,000,000)	\$0	\$2,000,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	ADJUSTS FUNDING FOR CAPITAL ASSETS ⁷	ADJUSTS FUNDING FOR STUDENT GRANT PROGRAMS ⁸	RESTORES FUNDING FOR CAMPUS OPERATIONS ⁹	REMOVES FUNDING FOR MARKETING INITIATIVE ¹⁰	TOTAL ALL FUNDS CHANGES
University System office		(\$1,250,000)			(\$2,561,996)
Bismarck State College					(30,711)
Lake Region State College					(6,142)
Williston State College					(6,810)
University of North Dakota			\$250,000	(\$50,000)	48,183
UND Medical Center			(250,000)		(278,014)
North Dakota State University					(49,024)
State College of Science					(38,067)
Dickinson State University					(5,899,094)
Mayville State University			100,000		(1,277,500)
Minot State University					(34,564)
Valley City State University			200,000		(624,706)
Minot State University - Bottineau	\$97,000				92,855
Forest Service					(2,199)
Total all funds	\$97,000	(\$1,250,000)	\$300,000	(\$50,000)	(\$10,667,789)
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month. This only affects the North Dakota University System office and the Forest Service. The executive budget recommendation included no funding for health insurance increases for higher education institutions.

² This amendment reduces the general fund for the North Dakota University System office, higher education institutions, and the Forest Service equivalent to a 4 percent reduction in information technology funding; however, the reductions are not limited to information technology.

³ This amendment removes the authorization provided by the House for the Industrial Commission to issue bonds totaling \$8,022,347 for construction costs associated with the following projects:

Dickinson State University	Murphy Hall Phase I addition	\$5,882,047
Valley City State University	Graichen Gymnasium elevator and emergency exits	\$785,300
Mayville State University	Steamline replacement Phase 2	\$1,355,000

This amendment removes the escrow account established for the purpose of making the first four annual lease rental payments for the retirement of the bonds. The escrow account was to consist of up to \$1,310,000 transferred from the general fund amounts appropriated for capital assets in Subdivision 1 of Section 1 and \$250,000 provided as local responsibility from other Dickinson State University fund sources.

⁴ This amendment provides funding of \$4,100,000 from the general fund for competitive research, a decrease in funding from the House version of \$900,000, and provides funding of \$1,900,000 from the general fund for centers for excellence, a decrease in funding from the House version of \$100,000. The amendment provides \$100,000 of the funding for competitive research is for the establishment of a design center at the University of North Dakota. The amendment also provides \$1,500,000 of the funding for centers for excellence is for the John D. Odegard Center for Aerospace - Center of Excellence in Multimedia Technology and \$500,000 is to be allocated by the State Board of Higher Education for future centers for excellence. Of the funding for the John D. Odegard Center for Aerospace - Center of Excellence in Multimedia Technology, \$206,000 is for an Expanded Air Service Enterprise - Upper Great Plains Air Taxi Service Initiative.

⁵ This amendment restores funding of \$50,000 from the general fund to the North Dakota University System office board initiatives line item and remove funding of \$50,000 from the general fund allocated by the House to the University of North Dakota for the university's Nordic Initiative.

⁶ This amendment provides funding of \$2 million from the general fund for an operations pool to be allocated by the State Board of Higher Education to higher education institutions.

⁷ **Mayville State University** - This amendment transfers funding of \$50,000 from a special line item as provided by the House for improvements in Old Main to the university's capital assets line item. The funding is intended to provide total capital assets funding equivalent to 3.89 percent of the North Dakota University System capital assets funding formula.

Minot State University - Bottineau - This amendment provides capital assets funding of \$97,000 from the general fund to Minot State University - Bottineau. The funding is intended to provide total capital assets funding equivalent to 10.49 percent of the North Dakota University System capital assets funding formula.

- ⁸ This amendment removes the special funds spending authority of \$1.5 million added by the House for the student financial assistance grants relating to potential payments that may be received under the North Dakota-Minnesota reciprocity agreement and modifies Section 6 of the engrossed bill to provide that the North Dakota University System office is appropriated all additional funds received under the North Dakota-Minnesota reciprocity agreement for student financial assistance grants. In addition, the amendment also increases funding for the scholars program by \$250,000 from the general fund, from \$816,368 to \$1,066,368.
- ⁹ This amendment restores funding of \$250,000 from the general fund to the University of North Dakota, from the University of North Dakota Medical School. This amendment also provides funding of \$100,000 from the general fund to Mayville State University and \$200,000 from the general fund to Valley City State University for costs associated with the institutions' high-tech laptop computer initiatives.
- ¹⁰ This amendment removes funding of \$50,000 from the general fund provided by the House to the University of North Dakota for a grant to the university's athletic department for a Canadian marketing initiative relating to the 2005 World Junior Hockey Tournament.

House Bill No. 1003 - Other Changes - Senate Action

This amendment also:

- Amends Section 11 of the bill to clarify language regarding funding included from the water development trust fund for disaster-related costs.
- Amends Section 16 of the bill to remove two new accountability measures added by the House.
- Amends Section 17 of the bill to increase the transfer from the student loan trust fund to the state general fund by \$1 million, from \$13,258,969 to \$14,258,969.
- Adds a section to the bill relating to education incentive programs.
- Adds a section to the bill allowing the State Board of Higher Education to authorize the transfer of funds from a higher education institution's operations line item to the capital assets line item.
- Adds a section to the bill providing for a Legislative Council study relating to the continuation of the higher education study.
- Adds a section to the bill allowing the State Board of Higher Education to authorize the construction of a basketball arena for the University of North Dakota to be funded with private funds.
- Adds a section to the bill allowing the State Board of Higher Education to authorize the University of North Dakota to purchase for a sum of \$1.2 million a hotel and land upon which the hotel is located for use as a student residence facility.
- Adds a section to the bill relating to the Mayville State University fieldhouse renovation project.
- Adds a section to the bill relating to funding for the University of North Dakota Medical School.
- Amends the emergency clause to include the contingency and capital emergency line item and Section 11 of the bill.