

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 3, after "projects" insert "; to authorize the industrial commission to issue and sell bonds for capital projects; to provide statements of legislative intent; to provide for a general fund transfer; to amend and reenact sections 15-10-08, 15-10-12, 54-44.1-04, 54-44.1-06, and 54-44.1-11 of the North Dakota Century Code, relating to compensation of state board of higher education members, higher education institutions' special revenue funds, budget requests and block grant appropriations, and unexpended appropriations"

Page 1, line 13, remove "AND INSTITUTIONS"

Page 1, line 14, replace "117,068,750" with "14,100,689"

Page 1, line 15, replace "program" with "and centers for excellence" and replace "4,000,000" with "7,000,000"

Page 1, line 16, replace "535,306" with "435,306"

Page 1, line 17, replace "4,512,642" with "4,479,337"

Page 1, line 19, replace "26,138,137" with "26,135,148"

Page 1, replace lines 21 through 23 with:

"Professional liability insurance	1,850,000
Student financial assistance grants	4,430,215
Professional student exchange program	1,678,300
Scholars program	816,368
Native American scholarships	204,086
Education incentive programs	<u>830,000</u>

Page 1, line 24, replace "467,577,358" with "64,407,816"

Page 2, line 1, replace "115,498,722" with "5,355,507"

Page 2, line 2, replace "352,078,636" with "59,052,309"

Page 2, after line 3, insert:

"BISMARCK STATE COLLEGE

Capital assets	\$250,000
Operations	<u>15,493,038</u>
General fund appropriation	\$15,743,038

Subdivision 3.

LAKE REGION STATE COLLEGE

Capital assets	\$44,831
Operations	<u>4,963,824</u>
General fund appropriation	\$5,008,655

Subdivision 4.

WILLISTON STATE COLLEGE

Capital assets	\$88,790
Operations	<u>5,319,181</u>
General fund appropriation	\$5,407,971

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

Capital assets	\$32,662,136
Operations	84,584,943
Nordic initiative	50,000
Marketing initiative	<u>50,000</u>
Total all funds	\$117,347,079
Less estimated income	<u>30,300,000</u>
General fund appropriation	\$87,047,079

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

Capital assets	\$16,737,531
Operations	<u>66,875,983</u>
Total all funds	\$83,613,514
Less estimated income	<u>15,000,000</u>
General fund appropriation	\$68,613,514

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

Capital assets	\$4,442,420
Operations	<u>23,774,891</u>
Total all funds	\$28,217,311
Less estimated income	<u>3,668,920</u>
General fund appropriation	\$24,548,391

Subdivision 8.

DICKINSON STATE UNIVERSITY

Capital assets	\$5,393,962
Operations	<u>13,590,878</u>
Total all funds	\$18,984,840
Less estimated income	<u>5,000,000</u>
General fund appropriation	\$13,984,840

Subdivision 9.

MAYVILLE STATE UNIVERSITY

Capital assets	\$364,589
Operations	8,349,835
Old main improvement	50,000
Total all funds	\$8,764,424
Less estimated income	<u>150,000</u>
General fund appropriation	\$8,614,424

Subdivision 10.

MINOT STATE UNIVERSITY

Capital assets	\$612,850
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Operations	<u>25,554,142</u>
General fund appropriation	\$26,166,992

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

Capital assets	\$265,334
Operations	<u>11,144,078</u>
General fund appropriation	\$11,409,412

Subdivision 12.

MINOT STATE UNIVERSITY - BOTTINEAU

Capital assets	\$112,663
Operations	<u>4,057,001</u>
General fund appropriation	\$4,169,664

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF  
MEDICINE AND HEALTH SCIENCES

Operations	<u>\$30,268,879</u>
General fund appropriation	\$30,268,879

Subdivision 14."

Page 2, line 6, replace "2,769,197" with "2,717,215"

Page 2, line 7, replace "2,915,258" with "2,863,276"

Page 2, line 9, replace "1,825,257" with "1,773,275"

Page 2, line 10, replace "353,903,893" with "361,808,443"

Page 2, line 11, replace "116,588,723" with "112,046,775"

Page 2, line 12, replace "470,492,616" with "473,855,218"

Page 2, line 13, replace "\$535,306" with "\$435,306"

Page 2, remove lines 18 through 30

Page 3, remove lines 1 through 12

Page 3, line 13, replace "\$117,068,750" with "\$14,100,689"

Page 3, line 15, remove "as determined"

Page 3, line 16, replace ", the payment of special assessments, and the repair and construction of" with "and by the industrial commission to establish an escrow account as authorized in section 15 of this Act."

Page 3, remove lines 17 through 28

Page 3, line 29, replace "\$26,138,137" with "\$26,135,148"

Page 4, remove lines 29 through 31

Page 5, remove lines 1 through 3

Page 5, remove lines 18 through 22

Page 5, line 23, after "**PURPOSES**" insert " - **APPROPRIATION**"

Page 5, line 31, after "issued" insert ", and the proceeds are appropriated, for the biennium beginning July 1, 2003, and ending June 30, 2005," and after the colon insert:

"Bismarck state college - Student apartments	\$1,785,000"
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Page 6, after line 1, insert:

"Mayville state university - Fieldhouse renovation and addition	\$3,000,000
University of North Dakota - Airport hangar	\$2,000,000
University of North Dakota - Wellness center	\$8,000,000
University of North Dakota - Athletic complex	\$13,000,000
Valley City state university - Kolstoe hall renovation	\$3,300,000"

Page 6, after line 2, insert:

"Mayville state university may obtain and utilize special funds to assist in the renovation and addition of the fieldhouse. There is appropriated to Mayville state university the sum of \$1,000,000, or so much as may be necessary, from any other funds that may become available for this project, for the biennium beginning July 1, 2003, and ending June 30, 2005.

Total special funds appropriation	\$43,460,000
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**SECTION 13. PROJECT AUTHORIZATIONS.** The industrial commission, acting as the North Dakota building authority, shall arrange for the funding of the projects authorized in this section, hereby declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, during the biennium beginning July 1, 2003, and ending June 30, 2005. The proceeds of the evidences of indebtedness and other available funds are hereby appropriated during the biennium beginning July 1, 2003, and ending June 30, 2005, for 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 II	\$1,355,000

The industrial commission shall issue evidences of indebtedness under this section with the condition that lease rental payments need not begin until July 1, 2005. This authority of the industrial commission to issue evidences of indebtedness ends June 30, 2005, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and to comply with any covenants entered into before that date.

Grand total special funds appropriation	\$8,022,347
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**SECTION 14. BOND ISSUANCE REPAYMENT RESPONSIBILITY - LIMITATION IN SECTION 54-17.2-23.** The industrial commission shall establish an escrow account for receipt of the first two annual lease rental payments for the

retirement of the evidences of indebtedness issued for the project costs associated with the construction of the projects authorized by section 13 of this Act. The escrow account is established to address the general fund lease limitations of section 54-17.2-23 during the 2005-07 biennium. The escrow account consists of \$1,310,000, or so much thereof as may be necessary, transferred from the general fund amounts appropriated for capital assets in subdivision 1 of section 1 of this Act and \$250,000 provided as local responsibility from other Dickinson state university fund sources.

**SECTION 15. STUDENT FINANCIAL ASSISTANCE GRANTS.** The funds appropriated for student financial assistance grants in section 1 of this Act must be allocated not less than twenty percent to students at private baccalaureate degree granting institutions with the remaining funds allocated to students at public and native American institutions.

**SECTION 16. LEGISLATIVE INTENT - HIGHER EDUCATION ACCOUNTABILITY MEASURES.** It is the intent of the legislative assembly that the board of higher education's performance and accountability report as required by section 15-10-14.2 include an executive summary and information regarding:

1. Education excellence, including:
  - a. Student performance on nationally recognized exams in their major fields compared to the national averages.
  - b. First-time licensure pass rates compared to other states.
  - c. Alumni-reported and student-reported satisfaction with preparation in selected major, acquisition of specific skills, and technology knowledge and abilities.
  - d. Employer-reported satisfaction with preparation of recently hired graduates.
  - e. Biennial report on employee satisfaction relating to the university system and local institutions.
  - f. Ratio of faculty and staff to students.
  - g. Student graduation and retention rates.
2. Economic development, including:
  - a. Enrollment in entrepreneurship courses and the number of graduates of entrepreneurship programs.
  - b. Percentage of university system graduates obtaining employment appropriate to their education in the state.
  - c. Number of businesses and employees in the region receiving training.
  - d. Number of students employed in major field of study six months and eighteen months after graduation.
3. Student access, including:
  - a. Proportion of residents of the state who are within a forty-five-minute drive of a location at which they can receive educational programs from a provider.

- b. Number and proportion of enrollments in courses offered by nontraditional methods.
4. Student affordability, including:
- a. Tuition and fees on a per student basis compared to the regional average.
  - b. Tuition and fees as a percentage of median North Dakota household income.
  - c. Cost per student in terms of general fund appropriations and total university system funding.
  - d. Average number of semesters completed per baccalaureate degree graduate.
  - e. Administrative, instructional, and other cost per student.
  - f. Per capita general fund appropriations for higher education.
  - g. State general fund appropriation levels for university system institutions compared to peer institutions general fund appropriation levels.
5. Financial operations, including:
- a. Percentage of total university system funding used for instruction, research, and public service.
  - b. Percentage of total university system funding used for institutional support, operations, and maintenance of physical plant.
  - c. Ratio measuring the funding derived from operating and contributed income compared to total university system funding.
  - d. Deferred maintenance ratio measuring the size of the university system's outstanding maintenance as compared to its expendable net assets.
  - e. Viability ratio measuring the amount of expendable net assets as compared to the amount of long-term debt.
  - f. Research expenditures in proportion to the amount of revenue generated by research activity and funding received for research activity.
  - g. New construction and major renovation capital projects for which specific appropriations are made, including budget to actual comparison, use of third-party funding, and related debt.

**SECTION 17. GENERAL FUND TRANSFER.** The industrial commission shall transfer to the general fund the sum of \$13,258,969 from the North Dakota student loan trust. The moneys must be transferred as requested by the director of the office of management and budget during the biennium beginning July 1, 2003, and ending June 30, 2005, and upon certification by the student loan trust trustee that sufficient moneys remain available to pay all debt service on student loan trust bonds, all required rebate payments to the United States treasury, and all program operating expenses.

**SECTION 18. COMPETITIVE RESEARCH - CENTERS FOR EXCELLENCE.**

The competitive research and centers for excellence line item in subdivision 1 of section 1 of this Act includes \$5,000,000 for the competitive research program and \$2,000,000 for public private partnership research efforts that focus on research that will have a positive impact on the state's economy and gross state product including research efforts that emphasize aerospace, biotechnology, energy, medicine, and technology transfer.

**SECTION 19. AMENDMENT.** Section 15-10-08 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-08. Compensation of board members - Expenses - Legislative appropriations.** Each member of the state board of higher education, except the student member, is entitled to receive as compensation ~~sixty-two~~ one hundred dollars ~~and fifty cents~~ per day for each calendar day actually spent devoted to the duties of office, and necessary expenses in the same manner and amounts as other state officials for attending meetings and performing other functions of office. The legislative assembly shall provide adequate funds to carry out the functions and duties of the board.

**SECTION 20. AMENDMENT.** Section 15-10-12 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-12. (Effective through June 30, 2003 2005) Board may accept gifts and bequests - Deposit and appropriation of institutional funds.** Subject to the limitations of section 15-10-12.1, the state board of higher education may receive donations, gifts, grants, and bequests offered or tendered to or for the benefit of any institution of higher education under its control or subject to its administration, and all moneys coming into the hands of the board as donations, gifts, grants, and bequests must be used for the specific purpose for which they are donated or given. A special revenue fund, for each institution of higher education under the control of the board or subject to its administration, must be maintained within the state treasury. All rent, interest, or income from land, money, or property, donated or granted by the United States and allocated to specific institutions of higher learning under the terms of the Enabling Act and the Constitution of North Dakota must be deposited in the special revenue fund of each institution and expended in accordance with section 1 of article IX of the Constitution of North Dakota. All other funds, unless restricted by the terms of a grant, donation, or bequest, received by the institutions from federal, state, and local grants and contracts, indirect cost recoveries, tuition, special student fees, room and board fees and other auxiliary enterprise fees, student activity fees, continuing education program fees, internal service fund revenues, and all other revenues must be deposited in the institution special revenue funds. The state treasurer shall immediately transfer the funds deposited in the special revenue funds to institution accounts in the Bank of North Dakota. Biennial estimates of revenue and expenditures of the other funds by source of funds must be presented at the same time biennial budget requests for appropriations from the special revenue fund and state general fund are prepared and submitted to the office of the budget ~~pursuant to section 15-10-15~~. Payments from each institution's general fund appropriation must be made in amounts as may be necessary for the operation and maintenance of each institution. The funds in the institution accounts are appropriated on a continuing basis to the state board of higher education. All such appropriations are subject to proration in the same manner as other appropriations are prorated if insufficient funds are available to meet expenditures from the general fund. Sinking funds for the payment of interest and principal of institutional revenue bonds must be deposited pursuant to section 15-55-06.

**(Effective after June 30, 2003 2005) Board may accept gifts and bequests - Deposit of funds.** The state board of higher education may, subject to the limitations of section 15-10-12.1, receive donations, gifts, grants, and bequests offered or tendered to or for the benefit of any institution of higher education under its control or subject to its administration, and all moneys coming into the hands of the board as donations,

gifts, grants, and bequests must be used for the specific purpose for which they are donated or given. A special revenue fund, for each institution of higher education under the control of the board or subject to its administration, must be maintained within the state treasury and all institutional income from tuition collections must be placed in the special fund for the use of the institution for which the money was raised. All rent, interest, or income from land, money, or property, donated or granted by the United States and allocated to specific institutions of higher learning under the terms of the Enabling Act and the Constitution of North Dakota must be deposited in the special revenue fund of each institution and expended in accordance with section 1 of article IX of the Constitution of North Dakota. Moneys in the special revenue fund are subject to legislative appropriations. All other funds, unless restricted by the terms of a grant, donation, or bequest, received by the institutions from federal, state, and local grants and contracts, indirect cost recoveries, special student fees, room and board fees and other auxiliary enterprise fees, student activity fees, continuing education program fees, internal service fund revenues, and all other revenues must be deposited in the institution special revenue funds. The state treasurer shall immediately transfer the funds deposited in the special revenue funds to institution accounts in the Bank of North Dakota. Biennial estimates of revenue and expenditures of the other funds by source of funds must be presented at the same time biennial budget requests for appropriations from the special revenue fund and state general fund are prepared and submitted to the office of the budget pursuant to section 15-10-15. Payments from each institution's general fund appropriation must be made in amounts as may be necessary for the operation and maintenance of each institution, except that at the close of the biennium the balance of funds not paid from the general fund appropriation must be deposited in the special revenue funds of the institutions. All such appropriations are subject to proration in the same manner as other appropriations are prorated if insufficient funds are available to meet expenditures from the general fund. Sinking funds for the payment of interest and principal of institutional revenue bonds must be deposited pursuant to section 15-55-06.

**SECTION 21. AMENDMENT.** Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-04. (Effective through June 30, 2003 2005) Budget estimates of budget units filed with the office of the budget - Deadline.** The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The budget estimates for the North Dakota university system must include block grants for the university system for a base funding component and for an initiative funding component for specific strategies or initiatives and a budget estimate for an asset funding component for renewal and replacement of physical plant assets at the institutions of higher education. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget in the director's discretion may extend the filing date for any budget unit if the director finds there is some circumstance ~~which~~ that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare ~~such~~ the budget unit's estimate of financial requirements except ~~such~~ the estimate may not exceed ninety percent of ~~such~~ the budget unit's previous biennial appropriation. The director of the budget or ~~such~~ a subordinate officer as the director designates shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

**(Effective after June 30, 2003 2005) Budget estimates of budget units filed with the office of the budget - Deadline.** The head of each budget unit, not later than

July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget may extend the filing date for any budget unit if the director finds there is some circumstance ~~which that~~ makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare ~~such the~~ budget unit's estimate of financial requirements except ~~such the~~ estimate may not exceed ninety percent of ~~such the~~ budget unit's previous biennial appropriation. The director of the budget or ~~such a~~ subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

**SECTION 22. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-06. (Effective through June 30, 2003 2005) Preparation of the budget data - Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by ~~such the~~ detailed schedules of assets and liabilities as the director of the budget ~~deems~~ determines desirable, which ~~shall must~~ include, ~~but not be limited to,~~ the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include, ~~but not be limited to,~~ a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.

4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with ~~such~~ any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.
5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.
6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.
7. Drafts of proposed general and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act. The draft of the proposed appropriations act for the North Dakota university system must include block grants for a base funding appropriation and for an initiative funding appropriation for specific strategies or initiatives and an appropriation for asset funding for renewal and replacement of physical plant assets at the institutions of higher education ~~in the format approved by the fifty seventh legislative assembly.~~
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. ~~Such~~ Any other information as the director of the budget ~~deems~~ determines desirable or as is required by law.

**(Effective after June 30, 2003 2005) Preparation of the budget data -**

**Contents.** The director of the budget, through the office of the budget, shall prepare budget data which must contain and include the following:

1. Summary statements of the financial condition of the state, accompanied by ~~such~~ the detailed schedules of assets and liabilities as the director of the budget ~~deems~~ determines desirable, which ~~shall~~ must include, ~~but not be limited to,~~ the following:
  - a. Summary statements of fund balances and assets showing in detail for each fund the surplus or deficit at the beginning of each of the two fiscal years of the previous biennium and the first fiscal year of the present biennium, the actual revenue for those years, the total appropriations for the previous and present biennium, and the total expenditures for those fiscal years; and
  - b. Similar summary statements of the estimated fund balances and assets for the current fiscal year and each of the fiscal years of the next biennium.

Summary statements may include, ~~but not be limited to,~~ a comparative consolidated balance sheet showing all the assets and liabilities of the state and the surplus or deficit, as the case may be, at the close of the first fiscal year of the current biennium.

2. Statements of actual revenue for the previous biennium, the first year of the present biennium, and the estimated revenue of the current fiscal year and of the next biennium, and a statement of unappropriated surplus expected to have accrued in the state treasury at the beginning of the next fiscal year. The statements of revenue and estimated revenue must be classified by sources and by budget unit collecting them. Existing sources of revenue must be analyzed as to their equity, productivity, and need for revision, and any proposed new sources of revenue must be explained.
3. Summary statements of expenditures of the previous biennium and first year of the present biennium, itemized by budget units and classified as prescribed by the director of the budget.
4. Detailed comparative statements of expenditures and requests for appropriations by funds, budget units and classification of expenditures, showing the expenditures for the previous biennium, the first fiscal year of the present biennium, the budget of the current biennium, and the governor's recommendation for appropriations for each budget unit for the next biennium, all distributed according to the prescribed classification of expenditures. Following the lists of actual and proposed expenditures of each budget unit there must be a brief explanation of the functions of the unit and comments on its policies and plans and on any considerable differences among the amounts recommended, with ~~such~~ any descriptive, quantitative, comparative, and other data as to work done, unit costs, and like information as may be considered necessary or desirable. For capital outlay expenditures involving construction projects to be completed in two or more fiscal years, there must be shown the total estimated cost of each such project and the amount thereof recommended to be appropriated and expended in each ensuing fiscal year until completion of the project. Capital outlay needs may be projected for at least two years beyond the period covered by the budget.
5. A detailed statement showing the estimate of all moneys required to be raised or appropriated for the payment of interest upon the funded debt of the state and its other obligations bearing interest, and the amount of

money required to be contributed in the two next ensuing fiscal years to the general sinking funds maintained for the redemption and payment of the debts of the state.

6. A summary statement of the unappropriated fund balance estimated to be available at the beginning of the next biennium, and the estimated revenue of the next biennium, as compared with the total recommended amounts of appropriation for all classes of expenditures for the next biennium, and if the total of the recommended expenditures exceeds the total of the estimated resources, recommendations as to how the deficiency is to be met and estimates of any proposed additional revenue.
7. Drafts of a proposed general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor for putting into effect the proposed financial plan. The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.
8. A list of every individual asset or service, excluding real estate, with a value of at least fifty thousand dollars and every group of assets and services comprising a single system with a combined value of at least fifty thousand dollars acquired through a capital or operating lease arrangement or debt financing arrangement by a state agency or institution. The list must include assets or services acquired in the current biennium and anticipated assets or services to be acquired in the next biennium.
9. ~~Such~~ Any other information as the director of the budget ~~deems~~ determines desirable or as is required by law.

**SECTION 23. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-44.1-11. (Effective through June 30, 2003 2005) Office of management and budget to cancel unexpended appropriations - When they may continue.** Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the North Dakota university system are not subject to this section and the North Dakota university system shall report on the amounts and uses of funds carried over from one biennium to the next to subsequent appropriations committees of the legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.

**(Effective after June 30, 2003 2005) Office of management and budget to cancel unexpended appropriations - When they may continue.** The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation."

Page 6, line 3, remove "subdivisions 1"

Page 6, line 4, remove "and 2 of" and replace "section 17" with "sections 12, 13, and 14"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of House Action**

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
University System office			
Total all funds	\$467,577,358	(\$403,169,542)	\$64,407,816
Less estimated income	115,498,722	(110,143,215)	5,355,507
General fund	<u>\$352,078,636</u>	<u>(\$293,026,327)</u>	<u>\$59,052,309</u>
Bismarck State College			
Total all funds	\$0	\$17,528,038	\$17,528,038
Less estimated income		<u>1,785,000</u>	<u>1,785,000</u>
General fund	<u>\$0</u>	<u>\$15,743,038</u>	<u>\$15,743,038</u>
Lake Region State College			
Total all funds	\$0	\$5,383,655	\$5,383,655
Less estimated income		<u>375,000</u>	<u>375,000</u>
General fund	<u>\$0</u>	<u>\$5,008,655</u>	<u>\$5,008,655</u>
Williston State College			
Total all funds	\$0	\$5,407,971	\$5,407,971
Less estimated income			
General fund	<u>\$0</u>	<u>\$5,407,971</u>	<u>\$5,407,971</u>
University of North Dakota			
Total all funds	\$0	\$140,347,079	\$140,347,079
Less estimated income		<u>53,300,000</u>	<u>53,300,000</u>
General fund	<u>\$0</u>	<u>\$87,047,079</u>	<u>\$87,047,079</u>
UND Medical Center			
Total all funds	\$0	\$30,268,879	\$30,268,879
Less estimated income			
General fund	<u>\$0</u>	<u>\$30,268,879</u>	<u>\$30,268,879</u>
North Dakota State University			
Total all funds	\$0	\$94,613,514	\$94,613,514
Less estimated income		<u>26,000,000</u>	<u>26,000,000</u>
General fund	<u>\$0</u>	<u>\$68,613,514</u>	<u>\$68,613,514</u>
State College of Science			
Total all funds	\$0	\$28,217,311	\$28,217,311
Less estimated income		<u>3,668,920</u>	<u>3,668,920</u>
General fund	<u>\$0</u>	<u>\$24,548,391</u>	<u>\$24,548,391</u>
Dickinson State University			
Total all funds	\$0	\$24,866,887	\$24,866,887
Less estimated income		<u>10,882,047</u>	<u>10,882,047</u>

General fund	\$0	\$13,984,840	\$13,984,840
Mayville State University			
Total all funds	\$0	\$14,119,424	\$14,119,424
Less estimated income		<u>5,505,000</u>	<u>5,505,000</u>
General fund	\$0	\$8,614,424	\$8,614,424
Minot State University			
Total all funds	\$0	\$26,166,992	\$26,166,992
Less estimated income			
General fund	\$0	<u>\$26,166,992</u>	<u>\$26,166,992</u>
Valley City State University			
Total all funds	\$0	\$15,494,712	\$15,494,712
Less estimated income		<u>4,085,300</u>	<u>4,085,300</u>
General fund	\$0	\$11,409,412	\$11,409,412
Minot State University - Bottineau			
Total all funds	\$0	\$4,169,664	\$4,169,664
Less estimated income			
General fund	\$0	<u>\$4,169,664</u>	<u>\$4,169,664</u>
Forest Service			
Total all funds	\$2,915,258	(\$51,982)	\$2,863,276
Less estimated income	<u>1,090,001</u>		<u>1,090,001</u>
General fund	\$1,825,257	<u>(\$51,982)</u>	\$1,773,275
Bill Total			
Total all funds	\$470,492,616	\$3,362,602	\$473,855,218
Less estimated income	<u>116,588,723</u>	<u>(4,541,948)</u>	<u>112,046,775</u>
General fund	\$353,903,893	\$7,904,550	\$361,808,443

### House Bill No. 1003 - General Fund Summary

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
University System office	\$352,078,636	(\$293,026,327)	\$59,052,309
Bismarck State College		15,743,038	15,743,038
Lake Region State College		5,008,655	5,008,655
Williston State College		5,407,971	5,407,971
University of North Dakota		87,047,079	87,047,079
UND Medical Center		30,268,879	30,268,879
North Dakota State University		68,613,514	68,613,514
State College of Science		24,548,391	24,548,391
Dickinson State University		13,984,840	13,984,840
Mayville State University		8,614,424	8,614,424
Minot State University		26,166,992	26,166,992
Valley City State University		11,409,412	11,409,412
Minot State University - Bottineau		4,169,664	4,169,664
Forest Service	<u>1,825,257</u>	<u>(51,982)</u>	<u>1,773,275</u>
Total general fund	\$353,903,893	\$7,904,550	\$361,808,443

### Detail of House Changes to the General Fund

	ALLOCATES FUNDING FOR CAMPUS EXTRAORDINARY REPAIRS <sup>1</sup>	ALLOCATES FUNDING FOR MAJOR CAPITAL PROJECTS <sup>2</sup>	CORRECTS FUNDING FOR CAPITAL ASSETS <sup>3</sup>	ALLOCATES FUNDING FOR CAMPUS OPERATIONS <sup>4</sup>	DECREASES FUNDING FOR CAMPUS OPERATIONS <sup>5</sup>	ADDS BONDING AUTHORITY FOR MAJOR CAPITAL PROJECT <sup>6</sup>
University System office	(\$6,932,186)	(\$1,651,629)		(\$299,415,187)		
Bismarck State College	250,000			15,800,887	(\$307,849)	
Lake Region State College	44,831			5,062,456	(98,632)	
Williston State College	88,790			5,424,874	(105,693)	
University of North Dakota	2,362,136			86,270,626	(1,685,683)	
UND Medical Center				30,462,510	(588,631)	
North Dakota State University	1,737,531			68,204,819	(1,328,836)	
State College of Science	773,500			24,247,302	(472,411)	
Dickinson State University	393,962			13,860,931	(270,053)	
Mayville State University	214,589			8,515,748	(165,913)	
Minot State University	612,850			26,061,907	(507,765)	
Valley City State University	265,334			11,365,513	(221,435)	
Minot State University - Bottineau	112,663			4,137,614	(80,613)	
Forest Service					<u>(33,857)</u>	
Total general fund	(\$76,000)	(\$1,651,629)	\$0	\$0	(\$5,867,371)	\$0

	ALLOCATES FUNDING FROM BOARD INITIATIVES TO CAMPUS INITIATIVES 7	REMOVES FUNDING FOR SYSTEM INITIATIVES 8	REMOVES FUNDING FOR STUDENT INTERNSHIP PROGRAM 9	ALLOCATES FUNDING FOR STUDENT GRANT PROGRAMS AND CHANGES FUNDING SOURCE 10	INCREASES FUNDING FOR STUDENT FINANCIAL ASSISTANCE GRANTS 11	INCREASES FUNDING FOR CAMPUS OPERATIONS 12
University System office	(\$100,000)			\$6,258,969		
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota	50,000					\$50,000
UND Medical Center						395,000
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University	50,000					
Minot State University						
Valley City State University						
Minot State University - Bottineau						
Forest Service						
<b>Total general fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,258,969</b>	<b>\$0</b>	<b>\$445,000</b>

	PROVIDES FUNDING FOR PROFESSIONAL LIABILITY INSURANCE COVERAGE	REMOVES RECOMMENDED SALARY INCREASE 13	INCREASES FUNDING FOR RESEARCH ACTIVITIES AND CHANGES FUNDING SOURCE 14	TOTAL GENERAL FUND CHANGES
University System office	\$1,850,000	(\$36,294)	\$7,000,000	(\$293,026,327)
Bismarck State College				15,743,038
Lake Region State College				5,008,655
Williston State College				5,407,971
University of North Dakota				87,047,079
UND Medical Center				30,268,879
North Dakota State University				68,613,514
State College of Science				24,548,391
Dickinson State University				13,984,840
Mayville State University				8,614,424
Minot State University				26,166,992
Valley City State University				11,409,412
Minot State University - Bottineau				4,169,664
Forest Service		(18,125)		(51,982)
<b>Total general fund</b>	<b>\$1,850,000</b>	<b>(\$54,419)</b>	<b>\$7,000,000</b>	<b>\$7,904,550</b>

### House Bill No. 1003 - Other Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
University System office	\$115,498,722	(\$110,143,215)	\$5,355,507
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	10,882,047
Mayville State University		5,505,000	5,505,000
Minot State University			
Valley City State University		4,085,300	4,085,300
Minot State University - Bottineau			
Forest Service	1,090,001		1,090,001
<b>Total other funds</b>	<b>\$116,588,723</b>	<b>(\$4,541,948)</b>	<b>\$112,046,775</b>

### Detail of House Changes to Other Funds

	ALLOCATES FUNDING FOR CAMPUS EXTRAORDINARY REPAIRS 1	ALLOCATES FUNDING FOR MAJOR CAPITAL PROJECTS 2	CORRECTS FUNDING FOR CAPITAL ASSETS 3	ALLOCATES FUNDING FOR CAMPUS OPERATIONS 4	DECREASES FUNDING FOR CAMPUS OPERATIONS 5	ADDS BONDING AUTHORITY FOR MAJOR CAPITAL PROJECT 6
University System office		(\$94,278,920)	(\$105,326)			
Bismarck State College		1,785,000				
Lake Region State College		375,000				
Williston State College						
University of North Dakota		53,300,000				
UND Medical Center						
North Dakota State University		26,000,000				

State College of Science	3,668,920					
Dickinson State University	5,000,000					\$5,882,047
Mayville State University	4,150,000					1,355,000
Minot State University						
Valley City State University						4,085,300
Minot State University - Bottineau						
Forest Service						
Total other funds	\$0	\$0	(\$105,326)	\$0	\$0	\$11,322,347

	ALLOCATES FUNDING FROM BOARD INITIATIVES TO CAMPUS INITIATIVES 7	REMOVES FUNDING FOR SYSTEM INITIATIVES 8	REMOVES FUNDING FOR STUDENT INTERNSHIP PROGRAM 9	ALLOCATES FUNDING FOR STUDENT GRANT PROGRAMS AND CHANGES FUNDING SOURCE 10	INCREASES FUNDING FOR STUDENT FINANCIAL ASSISTANCE GRANTS 11	INCREASES FUNDING FOR CAMPUS OPERATIONS 12
University System office		(\$5,000,000)	(\$2,000,000)	(\$6,258,969)	\$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						
Mayville State University						
Minot State University						
Valley City State University						
Minot State University - Bottineau						
Forest Service						
Total other funds	\$0	(\$5,000,000)	(\$2,000,000)	(\$6,258,969)	\$1,500,000	\$0

	PROVIDES FUNDING FOR PROFESSIONAL LIABILITY INSURANCE COVERAGE	REMOVES RECOMMENDED SALARY INCREASE 13	INCREASES FUNDING FOR RESEARCH ACTIVITIES AND CHANGES FUNDING SOURCE 14	TOTAL OTHER FUNDS CHANGES
University System office			(\$4,000,000)	(\$110,143,215)
Bismarck State College				1,785,000
Lake Region State College				375,000
Williston State College				
University of North Dakota				53,300,000
UND Medical Center				
North Dakota State University				26,000,000
State College of Science				3,668,920
Dickinson State University				10,882,047
Mayville State University				5,505,000
Minot State University				
Valley City State University				4,085,300
Minot State University - Bottineau				
Forest Service				
Total other funds	\$0	\$0	(\$4,000,000)	(\$4,541,948)

### House Bill No. 1003 - All Funds Summary

	EXECUTIVE BUDGET	HOUSE CHANGES	HOUSE VERSION
University System office	\$467,577,358	(\$403,169,542)	\$64,407,816
Bismarck State College		17,528,038	17,528,038
Lake Region State College		5,383,655	5,383,655
Williston State College		5,407,971	5,407,971
University of North Dakota		140,347,079	140,347,079
UND Medical Center		30,268,879	30,268,879
North Dakota State University		94,613,514	94,613,514
State College of Science		28,217,311	28,217,311
Dickinson State University		24,866,887	24,866,887
Mayville State University		14,119,424	14,119,424
Minot State University		26,166,992	26,166,992
Valley City State University		15,494,712	15,494,712
Minot State University - Bottineau		4,169,664	4,169,664
Forest Service	2,915,258	(51,982)	2,863,276
Total all funds	\$470,492,616	\$3,362,602	\$473,855,218
FTE	2,400.38	0.00	2,400.38

## Detail of House Changes to All Funds

	ALLOCATES FUNDING FOR CAMPUS EXTRAORDINARY REPAIRS 1	ALLOCATES FUNDING FOR MAJOR CAPITAL PROJECTS 2	CORRECTS FUNDING FOR CAPITAL ASSETS 3	ALLOCATES FUNDING FOR CAMPUS OPERATIONS 4	DECREASES FUNDING FOR CAMPUS OPERATIONS 5	ADDS BONDING AUTHORITY FOR MAJOR CAPITAL PROJECT 6
University System office	(\$6,932,186)	(\$95,930,549)	(\$105,326)	(\$299,415,187)		
Bismarck State College	250,000	1,785,000		15,800,887	(\$307,849)	
Lake Region State College	44,831	375,000		5,062,456	(98,632)	
Williston State College	88,790			5,424,874	(105,693)	
University of North Dakota	2,362,136	53,300,000		86,270,626	(1,685,683)	
UND Medical Center				30,462,510	(588,631)	
North Dakota State University	1,737,531	26,000,000		68,204,819	(1,328,836)	
State College of Science	773,500	3,668,920		24,247,302	(472,411)	
Dickinson State University	393,962	5,000,000		13,860,931	(270,053)	\$5,882,047
Mayville State University	214,589	4,150,000		8,515,748	(165,913)	1,355,000
Minot State University	612,850			26,061,907	(507,765)	
Valley City State University	265,334			11,365,513	(221,435)	4,085,300
Minot State University - Bottineau	112,663			4,137,614	(80,613)	
Forest Service					(33,857)	
<b>Total all funds</b>	<b>(\$76,000)</b>	<b>(\$1,651,629)</b>	<b>(\$105,326)</b>	<b>\$0</b>	<b>(\$5,867,371)</b>	<b>\$11,322,347</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

  

	ALLOCATES FUNDING FROM BOARD INITIATIVES TO CAMPUS INITIATIVES 7	REMOVES FUNDING FOR SYSTEM INITIATIVES 8	REMOVES FUNDING FOR STUDENT INTERNSHIP PROGRAM 9	ALLOCATES FUNDING FOR STUDENT GRANT PROGRAMS AND CHANGES FUNDING SOURCE 10	INCREASES FUNDING FOR STUDENT FINANCIAL ASSISTANCE GRANTS 11	INCREASES FUNDING FOR CAMPUS OPERATIONS 12
University System office	(\$100,000)	(\$5,000,000)	(\$2,000,000)		\$1,500,000	
Bismarck State College						
Lake Region State College						
Williston State College						
University of North Dakota	50,000					\$50,000
UND Medical Center						395,000
North Dakota State University						
State College of Science						
Dickinson State University						
Mayville State University	50,000					
Minot State University						
Valley City State University						
Minot State University - Bottineau						
Forest Service						
<b>Total all funds</b>	<b>\$0</b>	<b>(\$5,000,000)</b>	<b>(\$2,000,000)</b>	<b>\$0</b>	<b>\$1,500,000</b>	<b>\$445,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

  

	PROVIDES FUNDING FOR PROFESSIONAL LIABILITY INSURANCE COVERAGE	REMOVES RECOMMENDED SALARY INCREASE 13	INCREASES FUNDING FOR RESEARCH ACTIVITIES AND CHANGES FUNDING SOURCE 14	TOTAL ALL FUNDS CHANGES
University System office	\$1,850,000	(\$36,294)	\$3,000,000	(\$403,169,542)
Bismarck State College				17,528,038
Lake Region State College				5,383,655
Williston State College				5,407,971
University of North Dakota				140,347,079
UND Medical Center				30,268,879
North Dakota State University				94,613,514
State College of Science				28,217,311
Dickinson State University				24,866,887
Mayville State University				14,119,424
Minot State University				26,166,992
Valley City State University				15,494,712
Minot State University - Bottineau				4,169,664
Forest Service		(18,125)		(51,982)
<b>Total all funds</b>	<b>\$1,850,000</b>	<b>(\$54,419)</b>	<b>\$3,000,000</b>	<b>\$3,362,602</b>
FTE	0.00	0.00	0.00	0.00

1 The executive budget recommendation for the University System office capital assets line item includes funding of \$6,932,186 from the general fund for campus extraordinary repairs. This amendment allocates the funding of \$6,856,186 to individual higher education institutions based on the institutions' 2003-05 hold-even capital assets budget request and reduces funding from the general fund by \$76,000.

2 This amendment removes funding of \$1,651,629 from the general fund from the capital assets line item provided in the executive budget recommendation for the State Board of Higher Education to allocate for major capital projects, and the amendment allocates \$94,278,920 of special funds provided for major capital projects from the capital assets line item to individual higher education institutions.

- 3 The executive budget recommendation includes funding of \$3,134,517 from bonding proceeds for energy improvement projects at North Dakota State University (\$1,077,977) and the University of North Dakota (\$1,951,214) and inadvertently includes funding of \$105,326 for an energy improvement project at the Department of Corrections and Rehabilitation. Therefore, this amendment removes the funding inadvertently included for an energy improvement project at the Department of Corrections and Rehabilitation.
- 4 The executive budget recommendation consolidates the funding for the support of the operations of the higher education institutions in the University System office line item campus operations. This amendment allocates the funding of \$299,415,187 from the general fund provided in the University System office campus operations line item to the individual higher education institutions.
- 5 This amendment decreases funding for higher education institutions and the Forest Service's operations budgets by a total of \$5,867,371 from the general fund.
- 6 This amendment authorizes 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 II	\$1,355,000

In relation, this amendment establishes an escrow account for the purpose of making the first two annual lease rental payments for retirement of the bonds. The escrow account is 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.

In addition, this amendment authorizes the State Board of Higher Education to issue revenue bonds in the amount of \$3,300,000 for renovation of Kolstoe Hall at Valley City State University.

- 7 This amendment allocates funding of \$100,000 from the general fund from the board initiatives line item to the University of North Dakota for the university's Nordic initiative (\$50,000) and to Mayville State University for improvements in Old Main (\$50,000).
- 8 This amendment removes funding of \$5 million from the student loan trust fund for system initiatives. The funding was to be allocated by the State Board of Higher Education to establish centers of excellence at higher education institutions.
- 9 This amendment removes funding of \$2 million from the student loan trust fund for a new student internship program to support internships for students entering growth industries that have critical shortages of available employees.
- 10 This amendment allocates funding from the student grant programs line item to separate program line items--student financial assistance grants, professional student exchange program, scholars program, Native American scholarships, and education incentive programs and changes the funding source for the programs from primarily the student loan trust fund to primarily the general fund.
- 11 This amendment increases special funds spending authority for the student financial assistance grants by \$1.5 million relating to the potential payments that may be received under the North Dakota-Minnesota reciprocity agreement.
- 12 This amendment increases funding for the University of North Dakota by \$50,000 from the general fund for a grant to the University of North Dakota Athletic Department for a Canadian marketing initiative relating to the 2005 World Junior Hockey Tournament (\$50,000). The amendment also increases funding for the University of North Dakota Medical School by \$395,000 from the general fund.
- 13 This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums. This only affects the North Dakota University System office and the Forest Service. The executive budget recommendation included no funding for recommended salary increases and health insurance increases for higher education institutions.
- 14 This amendment changes the funding source for competitive research from \$4 million from the student loan trust fund to \$4 million from the general fund and increases the funding from the general fund by \$1 million, from \$4 million to \$5 million. The amendment also provides \$2 million from the general fund for centers for excellence.

## House Bill No. 1003 - Other Changes - House Action

This amendment also:

- Removes Sections 3, 4, and 5 of the bill as introduced relating to the system initiatives, campus operations, and student grant program line items as the line items are removed in the amendment.
- Amends Section 6 of the bill as introduced to clarify language regarding funding included in the University System office capital assets line item.
- Removes Section 13 of the bill as introduced relating to higher education institutions' transfer authority.
- Removes Section 16 of the bill relating to appropriations from the student loan trust fund.
- Amends Section 17 of the bill as introduced to provide revenue bond authority and appropriate revenue bond proceeds for the following projects:

Bismarck State College - Student apartments	\$1,785,000
Lake Region State College - North Hall residence hall renovation	\$375,000
Mayville State University - Fieldhouse renovation and addition	\$3,000,000
North Dakota State University - Bison Court construction	\$11,000,000
University of North Dakota - Airport hangar	\$2,000,000
University of North Dakota - Wellness Center	\$8,000,000
University of North Dakota - Athletic complex	\$13,000,000
Valley City State University - Kolstoe Hall renovation	\$3,300,000

The section is also amended to appropriate \$1 million of special funds to Mayville State University for additional funds to assist in the renovation and addition of the fieldhouse.

- Adds a section providing for the allocation of student financial assistance grant funds.
- Adds a section providing a transfer of \$13,258,969 from the student loan trust to the general fund.
- Adds a section of legislative intent regarding the use of funds appropriated to the North Dakota University System office for competitive research - centers for excellence.
- Amends North Dakota Century Code Section 15-10-08 relating to the compensation for members of the State Board of Higher Education to change the per diem from \$62.50 to \$100.
- Incorporates the provisions of House Bill No. 1039 relating to the appropriation of higher education special funds, House Bill No. 1040 relating to the carryover of unexpended higher education appropriations, House Bill No. 1041 relating to the University System budget request and appropriations bill that would expire on June 30, 2005, and House Bill No. 1042 relating to higher education accountability measures.

The following is a summary of the funding recommended for higher education in the executive budget and the funding included in this amendment:

	2003-05 EXECUTIVE BUDGET	PROPOSED AMENDMENT	INCREASE (DECREASE)
General fund appropriation	\$353,903,893	\$348,549,474	(\$5,354,419)
General fund appropriation relating to funding transferred from the student loan trust fund		13,258,969 <sup>1</sup>	13,258,969
	_____	_____	_____
Total	\$353,903,893	\$361,808,443	\$7,904,550

<sup>1</sup> The executive budget recommended \$17,258,969 from the student loan trust fund.