

Sixty-first
Legislative Assembly
of North Dakota

SENATE BILL NO. 2003

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota
2 university system; to provide for transfer of funds; to authorize the state board of higher
3 education to issue and sell bonds for capital projects; to amend and reenact subsections 1 and
4 3 of section 15-10-37 and subsection 2 of section 15-62.2-02 of the North Dakota Century
5 Code, relating to student financial assistance grants and technology grants; and to declare an
6 emergency.

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

8 **SECTION 1. APPROPRIATION.** The funds provide in this section, or so much of the
9 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
11 other income to the North Dakota university system office and to the various entities and
12 institutions under the supervision of the state board of higher education for the purpose of
13 defraying the expenses of the North Dakota university system office and to the various entities
14 for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

15 Subdivision 1.

16 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

17			Adjustments or	
18		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
19	Capital assets	\$15,754,112	(\$3,740,064)	\$12,014,048
20	Competitive research program	5,650,000	800,000	6,450,000
21	System governance	6,281,894	903,718	7,185,612
22	Title II	695,600	0	695,600
23	Common information services	25,983,293	4,267,345	30,250,638
24	Professional liability insurance	1,100,000	0	1,100,000

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1	Student financial assistance grants	5,987,497	34,360,931	40,348,428
2	Professional student exchange	2,722,946	614,154	3,337,100
3	program			
4	Scholars program	1,478,566	635,018	2,113,584
5	Native American scholarships	380,626	666	381,292
6	Security and emergency	0	4,000,000	4,000,000
7	preparedness			
8	Education incentive programs	1,740,314	2,433,030	4,173,344
9	Grants	<u>700,000</u>	<u>(600,000)</u>	<u>100,000</u>
10	Total all funds	\$68,474,848	\$43,674,798	\$112,149,646
11	Less estimated income	<u>3,343,730</u>	<u>725,828</u>	<u>4,069,558</u>
12	Total general fund	\$65,131,118	\$42,948,970	\$108,080,088
13	Full-time equivalent positions	20.00	1.30	21.30

14 Subdivision 2.

15 BISMARCK STATE COLLEGE

16			Adjustments or	
17		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18	Operations	\$19,733,680	\$3,647,331	\$23,381,011
19	Capital assets	243,481	3,409,500	3,652,981
20	Deferred maintenance	<u>0</u>	<u>340,637</u>	<u>340,637</u>
21	Total all funds	\$19,977,161	\$7,397,468	\$27,374,629
22	Less estimated income	<u>0</u>	<u>409,500</u>	<u>409,500</u>
23	Total general fund	\$19,977,161	\$6,987,968	\$26,965,129
24	Full-time equivalent positions	105.38	6.55	111.93

25 Subdivision 3.

26 LAKE REGION STATE COLLEGE

27			Adjustments or	
28		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
29	Operations	\$6,511,348	\$1,079,097	\$7,590,445
30	Capital assets	43,662	2,609,920	2,653,582
31	Deferred maintenance	<u>0</u>	<u>93,807</u>	<u>93,807</u>

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1	Total all funds	\$6,555,010	\$3,782,824	\$10,337,834
2	Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
3	Total general fund	\$6,555,010	\$3,782,824	\$10,337,834
4	Full-time equivalent positions	30.49	3.48	33.97

Subdivision 4.

WILLISTON STATE COLLEGE

7			Adjustments or	
8		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
9	Operations	\$6,422,504	\$1,012,870	\$7,435,374
10	Capital assets	86,475	10,985,000	11,071,475
11	Deferred maintenance	<u>0</u>	<u>382,002</u>	<u>382,002</u>
12	Total all funds	\$6,508,979	\$12,379,872	\$18,888,851
13	Less estimated income	<u>0</u>	<u>9,375,000</u>	<u>9,375,000</u>
14	Total general fund	\$6,508,979	\$3,004,872	\$9,513,851
15	Full-time equivalent positions	39.80	2.30	42.10

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

18			Adjustments or	
19		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20	Operations	\$107,011,830	\$16,794,994	\$123,806,824
21	Capital assets	2,300,545	54,090,000	56,390,545
22	Deferred maintenance	<u>0</u>	<u>7,178,674</u>	<u>7,178,674</u>
23	Total all funds	\$109,312,375	\$78,063,668	\$187,376,043
24	Less estimated income	<u>0</u>	<u>42,890,000</u>	<u>42,890,000</u>
25	Total general fund	\$109,312,375	\$35,173,668	\$144,486,043
26	Full-time equivalent positions	637.24	(9.96)	627.28

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

29			Adjustments or	
30		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

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1	Operations	\$89,593,630	\$17,903,802	\$107,497,432
2	Capital assets	1,692,225	71,100,000	72,792,225
3	Deferred maintenance	<u>0</u>	<u>5,355,817</u>	<u>5,355,817</u>
4	Total all funds	\$91,285,855	\$94,359,619	\$185,645,474
5	Less estimated income	<u>0</u>	<u>58,100,000</u>	<u>58,100,000</u>
6	Total general fund	\$91,285,855	\$36,259,619	\$127,545,474
7	Full-time equivalent positions	498.12	19.64	517.76

8 Subdivision 7.

9 NORTH DAKOTA STATE COLLEGE OF SCIENCE

10			Adjustments or	
11		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12	Operations	\$27,390,368	\$3,160,225	\$30,550,593
13	Capital assets	753,332	12,836,000	13,589,332
14	Deferred maintenance	<u>0</u>	<u>1,034,143</u>	<u>1,034,143</u>
15	Total all funds	\$28,143,700	\$17,030,368	\$45,174,068
16	Less estimated income	<u>0</u>	<u>7,136,000</u>	<u>7,136,000</u>
17	Total general fund	\$28,143,700	\$9,894,368	\$38,038,068
18	Full-time equivalent positions	156.77	1.47	158.24

19 Subdivision 8.

20 DICKINSON STATE UNIVERSITY

21			Adjustments or	
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Operations	\$16,856,110	\$3,097,863	\$19,953,973
24	Capital assets	383,690	2,000,000	2,383,690
25	Deferred maintenance	<u>0</u>	<u>1,662,172</u>	<u>1,662,172</u>
26	Total all funds	\$17,239,800	\$6,760,035	\$23,999,835
27	Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
28	Total general fund	\$17,239,800	\$6,760,035	\$23,999,835
29	Full-time equivalent positions	121.60	(30.50)	91.10

30 Subdivision 9.

31 MAYVILLE STATE UNIVERSITY

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1			Adjustments or	
2		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
3	Operations	\$10,115,065	\$1,313,518	\$11,428,583
4	Capital assets	208,994	8,626,825	8,835,819
5	Deferred maintenance	<u>0</u>	<u>1,910,120</u>	<u>1,910,120</u>
6	Total all funds	\$10,324,059	\$11,850,463	\$22,174,522
7	Less estimated income	<u>0</u>	<u>3,668,500</u>	<u>3,668,500</u>
8	Total general fund	\$10,324,059	\$8,181,963	\$18,506,022
9	Full-time equivalent positions	55.89	(.50)	55.39

10 Subdivision 10.

11 MINOT STATE UNIVERSITY

12			Adjustments or	
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Operations	\$30,095,122	\$3,729,881	\$33,825,003
15	Capital assets	596,870	21,000,000	21,596,870
16	Deferred maintenance	<u>0</u>	<u>595,111</u>	<u>595,111</u>
17	Total all funds	\$30,691,992	\$25,324,992	\$56,016,984
18	Less estimated income	<u>0</u>	<u>17,250,000</u>	<u>17,250,000</u>
19	Total general fund	\$30,691,992	\$8,074,992	\$38,766,984
20	Full-time equivalent positions	184.83	5.99	190.82

21 Subdivision 11.

22 VALLEY CITY STATE UNIVERSITY

23			Adjustments or	
24		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
25	Operations	\$13,350,137	\$1,659,111	\$15,009,248
26	Capital assets	258,416	19,500,000	19,758,416
27	Deferred maintenance	<u>0</u>	<u>1,304,921</u>	<u>1,304,921</u>
28	Total all funds	\$13,608,553	\$22,464,032	\$36,072,585
29	Less estimated income	<u>0</u>	<u>18,500,000</u>	<u>18,500,000</u>
30	Total general fund	13,608,553	\$3,964,032	\$17,572,585
31	Full-time equivalent positions	78.15	8.71	86.86

1 Subdivision 12.

2 MINOT STATE UNIVERSITY - BOTTINEAU

3 Adjustments or

4 Base Level Enhancements Appropriation

5 Operations \$4,759,548 \$858,097 \$5,617,645

6 Capital assets 109,725 2,800,000 2,909,725

7 Deferred maintenance 0 97,021 97,021

8 Total all funds \$4,869,273 \$3,755,118 \$8,624,391

9 Less estimated income 0 2,000,000 2,000,000

10 Total general fund \$4,869,273 \$1,755,118 \$6,624,391

11 Full-time equivalent positions 31.11 1.64 32.75

12 Subdivision 13.

13 UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

14 Adjustments or

15 Base Level Enhancements Appropriation

16 Operations \$34,027,701 \$5,905,174 \$39,932,875

17 Total all funds \$34,027,701 \$5,905,174 \$39,932,875

18 Less estimated income 0 0 0

19 Total general fund \$34,027,701 \$5,905,174 \$39,932,875

20 Full-time equivalent positions 157.74 12.82 144.92

21 Subdivision 14.

22 NORTH DAKOTA FOREST SERVICE

23 Adjustments or

24 Base Level Enhancements Appropriation

25 Operations \$3,352,828 \$1,118,212 \$4,471,040

26 Capital assets 36,638 300,000 336,638

27 Deferred maintenance 0 45,576 45,576

28 Total all funds \$3,389,466 \$1,463,788 \$4,853,254

29 Less estimated income 997,486 0 997,486

30 Total general fund \$2,391,980 \$1,463,788 \$3,855,768

31 Full-time equivalent positions 19.47 7.53 27.00

1 Subdivision 15.

2 BILL TOTAL

3		Adjustments or	
4	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
5	Grand total general fund	\$440,067,556	\$174,157,391
6	Grand total special funds	<u>4,341,216</u>	<u>160,054,828</u>
7	Grand total all funds	\$444,408,772	\$334,212,219

8 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
9 **SIXTY-SECOND LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time
10 funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the
11 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

12	<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
13	Northern tier network infrastructure	\$2,773,800	\$0
14	from permanent oil tax fund		
15	ConnectND system support	2,300,000	0
16	Common information system pool parity	420,000	0
17	funding		
18	Campus initiatives	960,800	0
19	UND simulation lab	200,000	0
20	Williston state college oil rig program	200,000	0
21	Deferred maintenance - General fund	10,893,033	20,000,000
22	Capital projects - General fund	13,808,235	49,928,248
23	Capital projects - Special funds	153,295,170	159,329,000
24	Capital projects from permanent oil tax	4,809,515	0
25	trust fund		
26	Electronic medical records system UND	0	225,000
27	medical school		
28	Emergency preparedness and security	<u>0</u>	<u>4,000,000</u>
29	Total all funds	\$189,660,553	\$233,482,248
30	Total special funds	<u>161,078,485</u>	<u>159,329,000</u>
31	Total general fund	\$28,582,068	\$74,153,258

1 The 2009-11 one-time funding amounts are not a part of the entity's base budget for the
2 2011-13 biennium. The North Dakota university system shall report to the appropriations
3 committees of the sixty-second legislative assembly on the use of this one-time funding for the
4 biennium beginning July 1, 2009, and ending June 30, 2011.

5 **SECTION 3. CAPITAL ASSETS.** The sum of \$12,014,048, or so much of the sum as
6 may be necessary, included in the capital assets line item in subdivision 1 of section 1 of this
7 Act, must be used by the state board of higher education to satisfy outstanding bond
8 obligations.

9 **SECTION 4. CAPITAL ASSETS - VALLEY CITY STATE UNIVERSITY.** The sum of
10 \$1,000,000, or so much of the sum as may be necessary, included in the capital assets line
11 item in subdivision 11 of section 1 of this Act, may be used for development of a campuswide
12 master plan and for maintenance and repair projects.

13 **SECTION 5. CAPITAL ASSETS - DICKINSON STATE UNIVERSITY.** The sum of
14 \$2,000,000, or so much of the sum as may be necessary, included in the capital assets line
15 item in subdivision 8 of section 1 of this Act, may be used for development of a campuswide
16 master plan, an asbestos survey and removal and schematic design for Stoxen library, other
17 campus repairs, and payoff of energy or construction loans.

18 **SECTION 6. COMMON INFORMATION SERVICES.** The sum of \$30,250,638, or so
19 much of the sum as may be necessary, included in the common information services line item
20 in subdivision 1 of section 1 of this Act, must be used for the benefit of the institutions and
21 entities under the control of the state board of higher education, as determined by the board.
22 Funding allocations are to be made based on the North Dakota university system information
23 technology plan and technology priorities. Funds allocated pursuant to this section must be
24 used to support the system information technology services including the higher education
25 computer network, the interactive video network, the on-line Dakota information network,
26 ConnectND, and other related technology initiatives as determined by the board.

27 **SECTION 7. STUDENT FINANCIAL ASSISTANCE GRANTS.** The student financial
28 assistance grants line item in subdivision 1 of section 1 of this Act includes the sum of
29 \$700,000, or so much of the sum as may be necessary, for the purpose of providing grant
30 assistance payments to tribally controlled community colleges, for the biennium beginning

1 July 1, 2009, and ending June 30, 2011. No more than \$350,000 may be expended for this
2 purpose during the first year of the biennium.

3 **SECTION 8. NORTH DAKOTA FOREST SERVICE FEDERAL FUNDS.** The sum of
4 \$826,284 in section 1, subdivision 14, of this Act is available on a dollar-for-dollar basis to offset
5 lost federal funds.

6 **SECTION 9. STUDENT LOAN TRUST FUND.** Subdivision 1 of section 1 of this Act
7 includes the sum of \$2,011,570, or so much of the sum as may be necessary, from the student
8 loan trust fund of which \$990,970 is for the professional student exchange program and
9 \$1,020,600 ConnectND campus solution positions, for the biennium beginning July 1, 2009,
10 and ending June 30, 2011.

11 **SECTION 10. FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION.** All
12 funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other
13 sources, received by the institutions and entities under the control of the state board of higher
14 education are appropriated to those institutions and entities, for the biennium beginning July 1,
15 2009, and ending June 30, 2011. All additional funds received under the North
16 Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2009, and
17 ending June 30, 2011, are appropriated to the state board of higher education for
18 reimbursement to institutions under the control of the board.

19 **SECTION 11. TRANSFER AUTHORITY.** If, during the biennium beginning July 1,
20 2009, and ending June 30, 2011, the state board of higher education determines that funds
21 allocated to operations in section 1 of this Act are needed for capital assets or deferred
22 maintenance, the board may transfer funds from operations to capital assets or to deferred
23 maintenance. The board shall report any transfer of funds under this section to the office of
24 management and budget.

25 **SECTION 12. DEFERRED MAINTENANCE - TRANSFERS.** If, during the biennium
26 beginning July 1, 2009, and ending June 30, 2011, the state board of higher education
27 determines that funds allocated to deferred maintenance in section 1 of this Act are needed for
28 capital assets, the board may transfer funds from deferred maintenance to capital assets or
29 may transfer funds from capital assets to deferred maintenance. The board shall report any
30 transfer of funds under this section to the office of management and budget.

SECTION 13. SECURITY AND EMERGENCY PREPAREDNESS TRANSFERS. The sum of \$4,000,000, or so much of the sum as may be necessary, included in the security and emergency preparedness line item in subdivision 1 of section 1 of this Act, must be used for the benefit of the institutions and entities under the control of the state board of higher education, as determined by the board for security and emergency preparedness improvement to facilities and infrastructure.

SECTION 14. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. The state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control. The university system shall report any adjustments to the office of management and budget before the submission of the 2011-13 biennium budget request.

SECTION 15. EDUCATION INCENTIVE PROGRAMS. The funding appropriated for education incentive programs in subdivision 1 of section 1 of this Act 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 16. BOND ISSUANCE AUTHORIZATION - PURPOSES - APPROPRIATION. The state board of higher education, in accordance with chapter 15-55, may arrange for the funding of projects authorized in this section, declared to be in the public interest, through the issuance of self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, beginning with the effective date of this Act and ending June 30, 2011. Evidences of indebtedness issued pursuant to this section are not a general obligation of the state of North Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences of indebtedness may be issued and the proceeds are appropriated, for the biennium beginning July 1, 2009, and ending June 30, 2011, for the purpose of financing the following capital projects:

Williston state college - New dormitory	\$9,375,000
North Dakota state university - West dining services renovation	7,000,000
North Dakota state university - Niskanen student apartments	20,000,000

1	North Dakota state school of science - Robertson hall renovation	6,000,000
2	North Dakota state school of science - Parking lot	1,136,000
3	Mayville state university - Agassiz hall housing renovation	3,668,500
4	Minot state university - Wellness center	5,000,000
5	Valley City state university - Snoeyenbois hall renovation	<u>3,500,000</u>
6	Total special funds	\$55,679,500

7 **SECTION 17. AMENDMENT.** Subsections 1 and 3 of section 15-10-37 of the North
8 Dakota Century Code are amended and reenacted as follows:

- 9 1. The state board of higher education shall administer a science, technology,
10 engineering, and math occupations student loan program that encourages college
11 students to pursue ~~technology-based~~ studies in these fields, to participate in
12 ~~technology~~ internship programs, and to remain in the state after graduation. The
13 board shall adopt rules to implement the program, including internship
14 requirements, guidelines to determine which technology-related courses of study
15 are eligible under the program, and standards for eligibility.
- 16 3. The state board of higher education shall distribute student loan grants directly to
17 the Bank of North Dakota to repay outstanding student loan principal balances for
18 eligible applicants. The maximum student loan grant amount for which an
19 applicant may qualify is ~~one~~ two thousand dollars per year and a total of ~~five~~ ten
20 thousand dollars, or a lesser amount established by rule adopted by the state
21 board of higher education.

22 **SECTION 18. AMENDMENT.** Subsection 2 of section 15-62.2-02 of the North Dakota
23 Century Code is amended and reenacted as follows:

- 24 2. Determine the amount of individual grants, but not to exceed ~~one~~ two thousand
25 dollars per recipient per academic year under the North Dakota student financial
26 assistance program.

27 **SECTION 19. EMERGENCY.** The capital assets, deferred maintenance, security and
28 emergency preparedness, and education incentive line items contained in section 1 of this Act
29 and sections 4, 5, 8, 15, 16, and 18 of this Act are declared to be an emergency measure.