

Sixty-first
Legislative Assembly
of North Dakota

ENGROSSED 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; and to declare an emergency.

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

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

12 Subdivision 1.

13 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

14			Adjustments or	
15		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
16	Capital assets	\$15,754,112	(\$3,740,064)	\$12,014,048
17	Competitive research program	5,650,000	800,000	6,450,000
18	System governance	6,281,894	903,718	7,185,612
19	Title II	695,600	0	695,600
20	Common information services	25,983,293	4,267,345	30,250,638
21	Professional liability insurance	1,100,000	0	1,100,000
22	Student financial assistance grants	5,987,497	34,360,931	40,348,428
23	Professional student exchange	2,722,946	614,154	3,337,100

Sixty-first
Legislative Assembly

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

12 Subdivision 2.

13 BISMARCK STATE COLLEGE

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

23 Subdivision 3.

24 LAKE REGION STATE COLLEGE

25			Adjustments or	
26		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
27	Operations	\$6,511,348	\$1,079,097	\$7,590,445
28	Capital assets	43,662	2,609,920	2,653,582
29	Deferred maintenance	<u>0</u>	<u>93,807</u>	<u>93,807</u>
30	Total all funds	\$6,555,010	\$3,782,824	\$10,337,834
31	Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>

Sixty-first
Legislative Assembly

1	Total general fund	\$6,555,010	\$3,782,824	\$10,337,834
2	Full-time equivalent positions	30.49	3.48	33.97
3	Subdivision 4.			

WILLISTON STATE COLLEGE

5			Adjustments or	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Operations	\$6,422,504	\$1,012,870	\$7,435,374
8	Capital assets	86,475	10,985,000	11,071,475
9	Deferred maintenance	<u>0</u>	<u>382,002</u>	<u>382,002</u>
10	Total all funds	\$6,508,979	\$12,379,872	\$18,888,851
11	Less estimated income	<u>0</u>	<u>9,375,000</u>	<u>9,375,000</u>
12	Total general fund	\$6,508,979	\$3,004,872	\$9,513,851
13	Full-time equivalent positions	39.80	2.30	42.10
14	Subdivision 5.			

UNIVERSITY OF NORTH DAKOTA

16			Adjustments or	
17		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18	Operations	\$107,011,830	\$16,794,994	\$123,806,824
19	Capital assets	2,300,545	54,090,000	56,390,545
20	Deferred maintenance	<u>0</u>	<u>7,178,674</u>	<u>7,178,674</u>
21	Total all funds	\$109,312,375	\$78,063,668	\$187,376,043
22	Less estimated income	<u>0</u>	<u>42,890,000</u>	<u>42,890,000</u>
23	Total general fund	\$109,312,375	\$35,173,668	\$144,486,043
24	Full-time equivalent positions	637.24	(9.96)	627.28
25	Subdivision 6.			

NORTH DAKOTA STATE UNIVERSITY

27			Adjustments or	
28		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
29	Operations	\$89,593,630	\$17,903,802	\$107,497,432
30	Capital assets	1,692,225	71,100,000	72,792,225
31	Deferred maintenance	<u>0</u>	<u>5,355,817</u>	<u>5,355,817</u>

Sixty-first
Legislative Assembly

1	Total all funds	\$91,285,855	\$94,359,619	\$185,645,474
2	Less estimated income	<u>0</u>	<u>58,100,000</u>	<u>58,100,000</u>
3	Total general fund	\$91,285,855	\$36,259,619	\$127,545,474
4	Full-time equivalent positions	498.12	19.64	517.76

5 Subdivision 7.

6 NORTH DAKOTA STATE COLLEGE OF SCIENCE

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

16 Subdivision 8.

17 DICKINSON STATE UNIVERSITY

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

27 Subdivision 9.

28 MAYVILLE STATE UNIVERSITY

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

Sixty-first
Legislative Assembly

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

8 Subdivision 10.

9 MINOT STATE UNIVERSITY

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

19 Subdivision 11.

20 VALLEY CITY STATE UNIVERSITY

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

30 Subdivision 12.

31 MINOT STATE UNIVERSITY - BOTTINEAU

Sixty-first
Legislative Assembly

1			Adjustments or	
2		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
3	Operations	\$4,759,548	\$858,097	\$5,617,645
4	Capital assets	109,725	2,800,000	2,909,725
5	Deferred maintenance	<u>0</u>	<u>97,021</u>	<u>97,021</u>
6	Total all funds	\$4,869,273	\$3,755,118	\$8,624,391
7	Less estimated income	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
8	Total general fund	\$4,869,273	\$1,755,118	\$6,624,391
9	Full-time equivalent positions	31.11	1.64	32.75

10 Subdivision 13.

11 UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

12			Adjustments or	
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Operations	<u>\$34,027,701</u>	<u>\$5,905,174</u>	<u>\$39,932,875</u>
15	Total all funds	\$34,027,701	\$5,905,174	\$39,932,875
16	Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
17	Total general fund	\$34,027,701	\$5,905,174	\$39,932,875
18	Full-time equivalent positions	157.74	12.82	144.92

19 Subdivision 14.

20 NORTH DAKOTA FOREST SERVICE

21			Adjustments or	
22		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
23	Operations	\$3,352,828	\$1,118,212	\$4,471,040
24	Capital assets	36,638	300,000	336,638
25	Deferred maintenance	<u>0</u>	<u>45,576</u>	<u>45,576</u>
26	Total all funds	\$3,389,466	\$1,463,788	\$4,853,254
27	Less estimated income	<u>997,486</u>	<u>0</u>	<u>997,486</u>
28	Total general fund	\$2,391,980	\$1,463,788	\$3,855,768
29	Full-time equivalent positions	19.47	7.53	27.00

30 Subdivision 15.

31 BILL TOTAL

1			Adjustments or	
2		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
3	Grand total general fund	\$440,067,556	\$174,157,391	\$614,224,947
4	Grand total special funds	<u>4,341,216</u>	<u>160,054,828</u>	<u>164,396,044</u>
5	Grand total all funds	\$444,408,772	\$334,212,219	\$778,620,991

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-SECOND LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the 2009-11 one-time funding items included in the appropriation in section 1 of this Act:

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

The 2009-11 one-time funding amounts are not a part of the entity's base budget for the 2011-13 biennium. The North Dakota university system shall report to the appropriations

committees of the sixty-second legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2009, and ending June 30, 2011.

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

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

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

SECTION 6. COMMON INFORMATION SERVICES. The sum of \$30,250,638, or so much of the sum as may be necessary, included in the common information services 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. Funding allocations are to be made based on the North Dakota university system information technology plan and technology priorities. Funds allocated pursuant to this section must be used to support the system information technology services including the higher education computer network, the interactive video network, the on-line Dakota information network, ConnectND, and other related technology initiatives as determined by the board.

SECTION 7. STUDENT FINANCIAL ASSISTANCE GRANTS. The student financial assistance grants line item in subdivision 1 of section 1 of this Act includes the sum of \$700,000, or so much of the sum as may be necessary, for the purpose of providing grant assistance payments to tribally controlled community colleges, for the biennium beginning July 1, 2009, and ending June 30, 2011. No more than \$350,000 may be expended for this purpose during the first year of the biennium.

1 **SECTION 8. NORTH DAKOTA FOREST SERVICE FEDERAL FUNDS.** The sum of
2 \$826,284 in section 1, subdivision 14, of this Act is available on a dollar-for-dollar basis to offset
3 lost federal funds.

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

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

17 **SECTION 11. TRANSFER AUTHORITY.** If, during the biennium beginning July 1,
18 2009, and ending June 30, 2011, the state board of higher education determines that funds
19 allocated to operations in section 1 of this Act are needed for capital assets or deferred
20 maintenance, the board may transfer funds from operations to capital assets or to deferred
21 maintenance. The board shall report any transfer of funds under this section to the office of
22 management and budget.

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

29 **SECTION 13. SECURITY AND EMERGENCY PREPAREDNESS TRANSFERS.** The
30 sum of \$4,000,000, or so much of the sum as may be necessary, included in the security and
31 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
North Dakota state school of science - Robertson hall renovation	6,000,000
North Dakota state school of science - Parking lot	1,136,000
Mayville state university - Agassiz hall housing renovation	3,668,500

1	Minot state university - Wellness center	5,000,000
2	Valley City state university - Snoeyenbois hall renovation	<u>3,500,000</u>
3	Total special funds	\$55,679,500

4 **SECTION 17. EMERGENCY.** The capital assets, deferred maintenance, security and
5 emergency preparedness, and education incentive line items contained in section 1 of this Act
6 and sections 4, 5, 8, 15, and 16 of this Act are declared to be an emergency measure.