

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2003

Page 1, line 3, after the second semicolon insert "to create and enact three new sections to chapter 15-62.2 of the North Dakota Century Code, relating to merit scholarships for students attending certain institutions of higher education; to amend and reenact subsections 1 and 3 of section 15-10-37 and sections 15-62.2-02 and 15.1-01-02 of the North Dakota Century Code, relating to student financial assistance grants, technology grants, and joint meetings of the state's education boards;"

Page 1, line 6, replace "provide" with "provided"

Page 1, line 19, replace "765,707" with "1,703,718" and replace "7,047,601" with "7,985,612"

Page 2, line 1, replace "1,248,728" with "3,386,525" and replace "7,236,225" with "9,374,022"

Page 2, after line 3, insert:

"Merit scholarships	0	3,000,000	3,000,000"
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Page 2, line 8, replace "436,030" with "1,436,030" and replace "2,176,344" with "3,176,344"

Page 2, line 13, replace "7,256,984" with "14,332,792" and replace "75,731,832" with "82,807,640"

Page 2, line 15, replace "6,551,756" with "13,627,564" and replace "71,682,874" with "78,758,682"

Page 2, line 21, replace "4,312,999" with "3,896,421" and replace "24,046,679" with "23,630,101"

Page 2, line 24, replace "8,063,136" with "7,646,558" and replace "28,040,297" with "27,623,719"

Page 2, line 26, replace "7,653,636" with "7,237,058" and replace "27,630,797" with "27,214,219"

Page 3, line 1, replace "1,238,516" with "1,042,287" and replace "7,749,864" with "7,553,635"

Page 3, line 4, replace "3,942,243" with "3,746,014" and replace "10,497,253" with "10,301,024"

Page 3, line 6, replace "3,942,243" with "3,746,014" and replace "10,497,253" with "10,301,024"

Page 3, line 12, replace "1,159,630" with "1,024,495" and replace "7,582,134" with "7,446,999"

Page 3, line 15, replace "12,526,632" with "12,391,497" and replace "19,035,611" with "18,900,476"

Page 3, line 17, replace "3,151,632" with "3,016,497" and replace "9,660,611" with "9,525,476"

Page 3, line 23, replace "18,364,555" with "15,923,492" and replace "125,376,385" with "122,935,322"

Page 3, line 24, replace "54,219,000" with "43,019,000" and replace "56,519,545" with "45,319,545"

Page 3, line 26, replace "79,762,229" with "66,121,166" and replace "189,074,604" with "175,433,541"

Page 3, line 28, replace "36,743,229" with "23,102,166" and replace "146,055,604" with "132,414,541"

Page 4, line 3, replace "19,628,094" with "14,665,029" and replace "109,221,724" with "104,258,659"

Page 4, line 6, replace "96,083,911" with "91,120,846" and replace "187,369,766" with "182,406,701"

Page 4, line 8, replace "37,983,911" with "33,020,846" and replace "129,269,766" with "124,306,701"

Page 4, line 14, replace "4,101,922" with "3,966,787" and replace "31,492,290" with "31,357,155"

Page 4, line 17, replace "17,972,065" with "17,836,930" and replace "46,115,765" with "45,980,630"

Page 4, line 19, replace "10,836,065" with "10,700,930" and replace "38,979,765" with "38,844,630"

Page 4, line 25, replace "3,116,332" with "3,772,639" and replace "19,972,442" with "20,628,749"

Page 4, line 28, replace "6,778,504" with "7,434,811" and replace "24,018,304" with "24,674,611"

Page 4, line 29, replace the second underscored zero with "350,000" and replace the third underscored zero with "350,000"

Page 4, line 30, replace "6,778,504" with "7,084,811" and replace "24,018,304" with "24,324,611"

Page 5, line 5, replace "1,399,686" with "1,264,551" and replace "11,514,751" with "11,379,616"

Page 5, line 8, replace "11,936,631" with "11,801,496" and replace "22,260,690" with "22,125,555"

Page 5, line 10, replace "8,268,131" with "8,132,996" and replace "18,592,190" with "18,457,055"

Page 5, line 16, replace "4,339,273" with "4,066,475" and replace "34,434,395" with "34,161,597"

Page 5, line 19, replace "30,934,384" with "30,661,586" and replace "61,626,376" with "61,353,578"

Page 5, line 21, replace "8,684,384" with "8,411,586" and replace "39,376,376" with "39,103,578"

Page 5, line 27, replace "1,785,999" with "1,650,864" and replace "15,136,136" with "15,001,001"

Page 5, line 30, replace "22,590,920" with "22,455,785" and replace "36,199,473" with "36,064,338"

Page 6, line 1, replace "4,090,920" with "3,955,785" and replace "17,699,473" with "17,564,338"

Page 6, line 7, replace "922,959" with "852,824" and replace "5,682,507" with "5,612,372"

Page 6, line 8, replace "2,800,000" with "3,080,000" and replace "2,909,725" with "3,189,725"

Page 6, line 10, replace "3,819,980" with "4,029,845" and replace "8,689,253" with "8,899,118"

Page 6, line 12, replace "1,819,980" with "2,029,845" and replace "6,689,253" with "6,899,118"

Page 6, line 18, replace "7,172,600" with "6,581,701" and replace "41,200,301" with "40,609,402"

Page 6, line 19, replace "7,172,600" with "6,581,701" and replace "41,200,301" with "40,609,402"

Page 6, line 21, replace "7,172,600" with "6,581,701" and replace "41,200,301" with "40,609,402"

Page 7, line 7, replace "145,140,779" with "132,111,587" and replace "585,208,335" with "572,179,143"

Page 7, line 8, replace "165,163,228" with "184,323,148" and replace "169,504,444" with "188,664,364"

Page 7, line 9, replace "310,304,007" with "316,434,735" and replace "754,712,779" with "760,843,507"

Page 7, after line 9, insert:

"SECTION 2. CONTINGENT FUNDING - LAKE REGION STATE COLLEGE.

The capital assets line item in subdivision 3 of section 1 of this Act includes \$2,609,920 from the general fund for a wind energy project at lake region state college which may be spent only to the extent that federal funds appropriated in section 3 of this Act are not available for these purposes.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the North Dakota university system, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Lake region state college - Wind energy project	<u>\$2,609,920</u>
Total federal funds	\$2,609,920

The North Dakota university system may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES FUNDS - ADDITIONAL FUNDING APPROVAL.

The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the North Dakota university system, for the period beginning with the effective date of this Act and ending June 30, 2011, for the following capital construction project:

Minot state university Swain hall	\$5,000,000
University of North Dakota education building	<u>11,200,000</u>
Total federal funds	\$16,200,000

The North Dakota university system may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no long available."

Page 7, line 24, replace "49,928,248" with "39,008,248"

Page 7, line 25, replace "164,458,000" with "183,267,920"

Page 7, line 30, replace "234,611,248" with "242,501,168"

Page 8, line 1, replace "164,458,000" with "183,267,920"

Page 8, line 2, replace "70,153,248" with "59,233,248"

Page 8, after line 6, insert:

"SECTION 6. PERMANENT OIL TAX TRUST FUND - DICKINSON STATE UNIVERSITY. The estimated income line item in subdivision 8 of section 1 of this Act includes \$350,000 from the permanent oil tax trust fund for operations of Dickinson state university, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 10, after line 13, insert:

"SECTION 19. CAPITAL ASSETS - MINOT STATE UNIVERSITY. The sum of \$2,500,000, or so much of the sum as may be necessary, included in the capital assets

line item in subdivision 10 of section 1 of this Act, may be used to refurbish the existing coal boiler or in combination with or to match federal or other funds to design and install a geothermal energy system, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 20. USE OF UNSPENT 2007-09 GENERAL FUND

APPROPRIATIONS - TWO-YEAR COLLEGE MARKETING. The state board of higher education shall use \$200,000 of the North Dakota university system office unspent 2007-09 general fund appropriation authorized to continue under section 54-44.1-11 for marketing and awareness efforts of two-year colleges and technical careers, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 21. USE OF UNSPENT 2007-09 GENERAL FUND

APPROPRIATIONS - NORTHERN TIER NETWORK. The state board of higher education shall use \$1,100,000 of the North Dakota university system office unspent 2007-09 general fund appropriation authorized to continue under section 54-44.1-11 for maintenance and improvements of the northern tier network, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 11, remove lines 3 through 12

Page 11, remove lines 18 through 26

Page 12, after line 2, insert:

"SECTION 25. TUITION RATE INCREASES - LIMIT - BUDGET SECTION

APPROVAL. Notwithstanding any other provision of law, the state board of higher education shall limit any annual tuition increase for students attending institutions under its control for the 2009-10 and 2010-11 academic years to not more than four percent for each year unless the board receives prior budget section approval."

Page 12, after line 15, insert:

"SECTION 28. LEGISLATIVE COUNCIL STUDY - TUITION WAIVERS.

During the 2009-10 interim, the legislative council shall consider studying the impact of tuition waivers on institutions under the control of the state board of higher education. The study if conducted must review the types of tuition waivers available, the number of tuition waivers granted, and the value of tuition waivers. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 29. LEGISLATIVE COUNCIL STUDY - EDUCATION

GOVERNANCE. During the 2009-10 interim, the legislative council shall consider studying the feasibility and desirability of creating a department to oversee early childhood, elementary, secondary, and postsecondary education. The study if conducted must include a review of education governance in other states, the efficiency of combining governing agencies, and the potential governing structure of a combined education department. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 30. LEGISLATIVE COUNCIL STUDY - HIGHER EDUCATION

STUDENT TRUST FUND. During the 2009-10 interim, the legislative council shall consider studying the establishment of a higher education student trust fund, including available funding sources. The study if conducted must review best practices to include demonstrated in-migration patterns and long-term return on investment to the citizens of

North Dakota by ensuring students are prepared to meet the changing needs of a global economy and to strengthen the economy of the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 31. AMENDMENT. Subsections 1 and 3 of section 15-10-37 of the North Dakota Century Code are amended and reenacted as follows:

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

SECTION 32. AMENDMENT. Section 15-62.2-02 of the North Dakota Century Code is amended and reenacted as follows:

15-62.2-02. State board of higher education - Powers and duties. The state board of higher education shall:

1. Administer the North Dakota student financial assistance program and the North Dakota scholars program and adopt functional rules regarding the eligibility and selection of grant and scholarship recipients.
2. Determine the amount of individual grants, ~~but which may not to exceed~~ one thousand five hundred dollars per recipient per academic year, under the North Dakota student financial assistance program.
3. ~~Adopt for~~ For the North Dakota student financial assistance program, adopt criteria for substantial need, based upon the ability of the parents or guardian to contribute toward the applicant's educational expenses.
4. Establish the appropriate procedures for fiscal control, fund accounting, and necessary reports.
5. Apply for, receive, expend, and administer granted moneys from federal or private sources.

SECTION 33. A new section to chapter 15-62.2 of the North Dakota Century Code is created and enacted as follows:

Merit scholarship - Eligibility. A student is eligible for a merit scholarship if the student:

1. Was a resident of this state for the twelve months preceding the date the student met the graduation or high school diploma requirements set forth in subsection 2;
2. During or after the 2010-11 school year:

- a. Graduated from a public or nonpublic high school in this state;
- b. Graduated from a high school in another state under chapter 15.1-29;
or
- c. Met the requirements for a high school diploma through home education, in accordance with section 15.1-23-17;
3. Completed the requirements for a scholarship as set forth in sections 15.1-21-02.4 or 15.1-21-02.5;
4. Submitted an application for a merit scholarship to the state board of higher education; and
5.
 - a. Is enrolled in an associate or a baccalaureate program at an accredited public or private institution of higher education in this state;
 - b. Is a "full-time" student, as defined by the institution; and
 - c. Maintains a minimum 2.75 cumulative grade point average.

SECTION 34. A new section to chapter 15-62.2 of the North Dakota Century Code is created and enacted as follows:

Merit scholarship - Amount payable.

1. Beginning with the 2010-11 school year, the board shall forward to the institution in which an eligible student is enrolled, on behalf of the student, an amount equal to seven hundred fifty dollars per semester.
2. A student is not entitled to receive more than six thousand dollars under section 33 of this Act.
3. Section 33 of this Act does not require a student to be enrolled in consecutive semesters. However, a merit scholarship is valid for only six academic years after the student's graduation from high school and may not be applied to graduate programs.

SECTION 35. A new section to chapter 15-62.2 of the North Dakota Century Code is created and enacted as follows:

Annual report. The state board of higher education shall provide to the legislative council an annual report regarding the number of scholarships provided under section 34 of this Act and demographic information pertaining to the recipients.

SECTION 36. AMENDMENT. Section 15.1-01-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-01-02. Joint meetings - State board of public school education - State board of higher education - Education standards and practices board - State board for career and technical education. The state board of public school education, the state board of higher education, the education standards and practices board, and the state board for career and technical education shall meet together at least once each year at the call of the superintendent of public instruction, the commissioner of higher education, the executive director of the education standards and practices board, and the director of career and technical education for the purposes of:

1. Coordinating elementary and secondary education programs, career and technical education programs, and higher education programs;

2. Establishing high standards and expectations of students at all levels of the education continuum;
 3. Ensuring that all students have access to challenging curricula;
 4. Ensuring that the individuals instructing students at all levels of the education continuum are highly qualified and capable;
 5. Cooperating in the provision of professional growth and development opportunities for ~~elementary and secondary teachers and administrators~~ individuals instructing students at all levels of the education continuum; and
- 3- 6. Ensuring cooperation in any other jointly beneficial project or program."

Page 12, line 17, replace "4, 5, 7, 14, and 15" with "3, 4, 8, 9, 11, 18, 22, and 32"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98046.0314 FN 3

A copy of the statement of purpose of amendment is attached.