

Sixty-fifth  
Legislative Assembly  
of North Dakota

## ENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota  
2 university system; and to create and enact two new sections to chapter 15-10 and a new section  
3 to chapter 54-12 of the North Dakota Century Code, relating to approval of capital projects  
4 requested by institutions under the control of the state board of higher education, the nickel  
5 trophy, and tuition and fee waivers for law enforcement officers; and to amend and reenact  
6 sections 15-10-48, 15-10-49, 15-18.2-05, 15-18.2-06, 54-10-22.1, and 54-44.1-11 of the North  
7 Dakota Century Code, relating to matching grants for institutions under the control of the state  
8 board of higher education, state aid to institutions, the minimum amount payable through the  
9 higher education funding formula, protecting donor records from audits of university and college  
10 foundations and the cancellation of unexpended appropriations; to repeal chapter 15-10.2 of the  
11 North Dakota Century Code, relating to the midwestern higher education compact; to provide  
12 for the transfer of funds; to authorize the state board of higher education to issue and sell bonds  
13 for capital projects; to provide exemptions; to provide for the reallocation of oil and gas tax  
14 distributions; to authorize the conveyance of real property owned by the state of North Dakota;  
15 to provide for studies; to provide for legislative management reports; to provide legislative  
16 intent; to provide an effective date; and to declare an emergency.

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

18 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
19 as may be necessary, are appropriated out of any moneys in the general fund in the state  
20 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
21 other income, to the state board of higher education and to the entities and institutions under  
22 the supervision of the board, for the purpose of defraying the expenses of the state board of  
23 higher education and the entities and institutions under the control of the board, for the  
24 biennium beginning July 1, 2017, and ending June 30, 2019, as follows:

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1 — Subdivision 1.

2 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

3		Adjustments or		
4		Base Level	Enhancements	
			Appropriation	
5	Capital assets – bond payments	\$6,901,461	(\$296,135)	\$6,605,326
6	Competitive research programs	6,588,225	(560,475)	6,027,750
7	System governance	7,212,636	334,624	7,547,260
8	Title II	1,006,472	0	1,006,472
9	Core technology services	41,325,593	20,227,156	61,552,749
10	Student financial assistance grants	23,886,160	(1,968,854)	21,917,306
11	Professional student exchange program	3,941,754	(242,412)	3,699,342
12	Academic and technical education	13,134,096	(1,117,347)	12,016,749
13	—scholarship			
14	Two-year campus marketing	747,600	(290,100)	457,500
15	Scholars program	2,113,584	(306,469)	1,807,115
16	Native American scholarship	649,267	(93,944)	555,323
17	Tribally controlled community college grants	967,250	(64,750)	902,500
18	Education incentive programs	3,349,000	(485,607)	2,863,393
19	Student mental health	308,100	(23,700)	284,400
20	Veterans' assistance grants	325,000	(47,125)	277,875
21	Commendation grants	4,486	(4,486)	0
22	Internal audit pool	280,350	(50,850)	229,500
23	Open education resources	0	100,000	100,000
24	Shared campus services	0	200,000	200,000
25	Total all funds	\$112,741,034	\$15,309,526	\$128,050,560
26	Less estimated income	2,511,216	23,709,908	26,221,124
27	Total general fund	\$110,229,818	(\$8,400,382)	\$101,829,436
28	Full-time equivalent positions	104.39	43.01	147.40

29 — Subdivision 2.

30 BISMARCK STATE COLLEGE

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		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$34,214,004	\$67,535,715	\$101,749,719
Capital assets	67,732	1,854,829	1,922,561
Total all funds	\$34,281,736	\$69,390,544	\$103,672,280
Less estimated income	0	73,042,557	73,042,557
Total general fund	\$34,281,736	(\$3,652,013)	\$30,629,723
Full-time equivalent positions	133.53	224.82	358.35

Subdivision 3.

LAKE REGION STATE COLLEGE

		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$14,143,353	\$22,335,288	\$36,478,641
Capital assets	0	362,667	362,667
Total all funds	\$14,143,353	\$22,697,955	\$36,841,308
Less estimated income	0	24,128,597	24,128,597
Total general fund	\$14,143,353	(\$1,430,642)	\$12,712,711
Full-time equivalent positions	50.19	79.42	129.61

Subdivision 4.

WILLISTON STATE COLLEGE

		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$9,191,151	\$17,781,678	\$26,972,829
Capital assets	197,801	1,064,167	1,261,968
Total all funds	\$9,388,952	\$18,845,845	\$28,234,797
Less estimated income	0	19,866,337	19,866,337
Total general fund	\$9,388,952	(\$1,020,492)	\$8,368,460
Full-time equivalent positions	49.96	50.79	100.75

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

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		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$146,572,961	\$712,564,782	\$859,137,743
Capital assets	4,411,566	91,000,000	95,411,566
Total all funds	\$150,984,527	\$803,564,782	\$954,549,309
Less estimated income	0	820,277,023	820,277,023
Total general fund	\$150,984,527	(\$16,712,241)	\$134,272,286
Full-time equivalent positions	630.20	1,587.87	2,218.07

Subdivision 6:

NORTH DAKOTA STATE UNIVERSITY

		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$144,323,680	\$589,845,616	\$734,169,296
Capital assets	2,732,244	54,571,860	57,304,104
Total all funds	\$147,055,924	\$644,417,476	\$791,473,400
Less estimated income	0	661,687,739	661,687,739
Total general fund	\$147,055,924	(\$17,270,263)	\$129,785,661
Full-time equivalent positions	537.10	1,358.56	1,895.66

Subdivision 7:

NORTH DAKOTA STATE COLLEGE OF SCIENCE

		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$40,916,239	\$50,836,625	\$91,752,864
Capital assets	0	1,012,379	1,012,379
Total all funds	\$40,916,239	\$51,849,004	\$92,765,243
Less estimated income	0	57,642,469	57,642,469
Total general fund	\$40,916,239	(\$5,793,465)	\$35,122,774
Full-time equivalent positions	168.30	176.74	345.04

Subdivision 8:

DICKINSON STATE UNIVERSITY

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		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$24,527,233	\$24,948,506	\$49,475,739
Capital assets	0	409,078	409,078
Total all funds	\$24,527,233	\$25,357,584	\$49,884,817
Less estimated income	0	29,750,982	29,750,982
Total general fund	\$24,527,233	(\$4,393,398)	\$20,133,835
Full-time equivalent positions	120.26	48.64	168.90

Subdivision 9:

MAYVILLE STATE UNIVERSITY

		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$15,642,731	\$28,600,985	\$44,243,716
Capital assets	0	358,992	358,992
Total all funds	\$15,642,731	\$28,959,977	\$44,602,708
Less estimated income	0	30,339,206	30,339,206
Total general fund	\$15,642,731	(\$1,379,229)	\$14,263,502
Full-time equivalent positions	66.23	144.30	210.53

Subdivision 10:

MINOT STATE UNIVERSITY

		Adjustments or	
	Base Level	Enhancements	Appropriation
Operations	\$45,037,266	\$55,766,011	\$100,803,277
Capital assets	499,620	600,000	1,099,620
Total all funds	\$45,536,886	\$56,366,011	\$101,902,897
Less estimated income	0	62,113,151	62,113,151
Total general fund	\$45,536,886	(\$5,747,140)	\$39,789,746
Full-time equivalent positions	204.10	237.55	441.65

Subdivision 11:

VALLEY CITY STATE UNIVERSITY

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		Adjustments or		
	Base Level	Enhancements	Appropriation	
1				
2				
3	Operations	\$23,218,126	\$25,269,391	\$48,487,517
4	Capital assets	0	455,823	455,823
5	Total all funds	\$23,218,126	\$25,725,214	\$48,943,340
6	Less estimated income	0	28,493,914	28,493,914
7	Total general fund	\$23,218,126	(\$2,768,700)	\$20,449,426
8	Full-time equivalent positions	105.59	97.16	202.75
9	Subdivision 12:			
10	DAKOTA COLLEGE AT BOTTINEAU			
11				
12				
13	Operations	\$8,017,920	\$9,166,980	\$17,184,900
14	Capital assets	86,537	27,470	114,007
15	Total all funds	\$8,104,457	\$9,194,450	\$17,298,907
16	Less estimated income	0	9,638,678	9,638,678
17	Total general fund	\$8,104,457	(\$444,228)	\$7,660,229
18	Full-time equivalent positions	46.96	37.34	84.30
19	Subdivision 13:			
20	UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES			
21				
22				
23	Operations	\$53,166,247	\$158,723,654	\$211,889,901
24	Capital assets	0	0	0
25	Total all funds	\$53,166,247	\$158,723,654	\$211,889,901
26	Less estimated income	0	154,971,764	154,971,764
27	Total general fund	\$53,166,247	\$3,751,890	\$56,918,137
28	Full-time equivalent positions	184.58	251.17	435.75
29	Subdivision 14:			
30	NORTH DAKOTA FOREST SERVICE			

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	Adjustments or		
	Base Level	Enhancements	Appropriation
1			
2			
3	Operations	\$6,228,620	\$8,735,426
4	Capital assets	101,210	17,518
5	Total all funds	\$6,329,830	\$8,752,944
6	Less estimated income	1,650,000	9,000,748
7	Total general fund	\$4,679,830	(\$247,804)
8	Full-time equivalent positions	28.96	(1.96)
9	Subdivision 15.		
10	BILL TOTAL		
11			
12			
13	Grand total general fund	\$681,876,059	(\$65,508,107)
14	Grand total special funds	4,161,216	2,004,663,073
15	Grand total all funds	\$686,037,275	\$1,939,154,966
16	Subdivision 1.		
17	NORTH DAKOTA UNIVERSITY SYSTEM OFFICE		
18			
19			
20	Capital assets - bond payments	\$6,901,461	(\$296,135)
21	Competitive research programs	6,588,225	(560,475)
22	System governance	7,212,636	1,180,602
23	Title II	1,006,472	0
24	Core technology services	41,325,593	20,201,754
25	Student financial assistance grants	23,886,160	(1,968,854)
26	Professional student exchange program	3,941,754	(242,412)
27	Academic and technical education	13,134,096	(1,117,347)
28	scholarship		
29	Two-year campus marketing	747,600	(747,600)
30	Scholars program	2,113,584	(306,469)
31	Native American scholarship	649,267	(93,944)

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1	Tribally controlled community college grants	967,250	(367,250)	600,000
2	Education incentive programs	3,349,000	(485,607)	2,863,393
3	Student mental health	308,100	(23,700)	284,400
4	Veterans' assistance grants	325,000	(47,125)	277,875
5	Commendation grants	4,486	(4,486)	0
6	Internal audit pool	280,350	(280,350)	0
7	Shared campus services	0	500,000	500,000
8	Two-year campus study	0	40,000	40,000
9	Education challenge grants	0	2,000,000	2,000,000
10	Total all funds	\$112,741,034	\$17,380,602	\$130,121,636
11	Less estimated income	2,511,216	23,700,890	26,212,106
12	Total general fund	\$110,229,818	(\$6,320,288)	\$103,909,530
13	Full-time equivalent positions	104.39	45.01	149.40
14	<u>Subdivision 2.</u>			
15	<u>BISMARCK STATE COLLEGE</u>			
16			Adjustments or	
17		Base Level	Enhancements	Appropriation
18	Operations	\$34,214,004	\$67,580,404	\$101,794,408
19	Capital assets	67,732	1,854,829	1,922,561
20	Total all funds	\$34,281,736	\$69,435,233	\$103,716,969
21	Less estimated income	0	72,991,998	72,991,998
22	Total general fund	\$34,281,736	(\$3,556,765)	\$30,724,971
23	Full-time equivalent positions	133.53	224.82	358.35
24	<u>Subdivision 3.</u>			
25	<u>LAKE REGION STATE COLLEGE</u>			
26			Adjustments or	
27		Base Level	Enhancements	Appropriation
28	Operations	\$14,143,353	\$22,356,652	\$36,500,005
29	Capital assets	0	362,667	362,667
30	Total all funds	\$14,143,353	\$22,719,319	\$36,862,672
31	Less estimated income	0	24,111,092	24,111,092

1	Total general fund	\$14,143,353	(\$1,391,773)	\$12,751,580
2	Full-time equivalent positions	50.19	79.42	129.61
3	<u>Subdivision 4.</u>			
4	<u>WILLISTON STATE COLLEGE</u>			
5			Adjustments or	
6		Base Level	Enhancements	Appropriation
7	Operations	\$9,191,151	\$17,797,826	\$26,988,977
8	Capital assets	197,801	1,064,167	1,261,968
9	Total all funds	\$9,388,952	\$18,861,993	\$28,250,945
10	Less estimated income	0	19,855,598	19,855,598
11	Total general fund	\$9,388,952	(\$993,605)	\$8,395,347
12	Full-time equivalent positions	49.96	50.79	100.75
13	<u>Subdivision 5.</u>			
14	<u>UNIVERSITY OF NORTH DAKOTA</u>			
15			Adjustments or	
16		Base Level	Enhancements	Appropriation
17	Operations	\$146,572,961	\$712,782,489	\$859,355,450
18	Capital assets	4,411,566	91,000,000	95,411,566
19	Total all funds	\$150,984,527	\$803,782,489	\$954,767,016
20	Less estimated income	0	819,870,450	819,870,450
21	Total general fund	\$150,984,527	(\$16,087,961)	\$134,896,566
22	Full-time equivalent positions	630.20	1,587.87	2,218.07
23	<u>Subdivision 6.</u>			
24	<u>NORTH DAKOTA STATE UNIVERSITY</u>			
25			Adjustments or	
26		Base Level	Enhancements	Appropriation
27	Operations	\$144,323,680	\$588,884,780	\$733,208,460
28	Capital assets	2,732,244	82,571,860	85,304,104
29	Total all funds	\$147,055,924	\$671,456,640	\$818,512,564
30	Less estimated income	0	689,386,329	689,386,329

1	Total general fund	\$147,055,924	(\$17,929,689)	\$129,126,235
2	Full-time equivalent positions	537.10	1,358.56	1,895.66
3	<u>Subdivision 7.</u>			
4	<u>NORTH DAKOTA STATE COLLEGE OF SCIENCE</u>			
5			Adjustments or	
6		Base Level	Enhancements	Appropriation
7	Operations	\$40,916,239	\$50,918,458	\$91,834,697
8	Capital assets	0	1,012,379	1,012,379
9	Total all funds	\$40,916,239	\$51,930,837	\$92,847,076
10	Less estimated income	0	57,605,613	57,605,613
11	Total general fund	\$40,916,239	(\$5,674,776)	\$35,241,463
12	Full-time equivalent positions	168.30	176.74	345.04
13	<u>Subdivision 8.</u>			
14	<u>DICKINSON STATE UNIVERSITY</u>			
15			Adjustments or	
16		Base Level	Enhancements	Appropriation
17	Operations	\$24,527,233	\$22,608,359	\$47,135,592
18	Capital assets	0	409,078	409,078
19	One-time operations and debt repayment	0	7,409,626	7,409,626
20	Total all funds	\$24,527,233	\$30,427,063	\$54,954,296
21	Less estimated income	0	29,737,827	29,737,827
22	Total general fund	\$24,527,233	\$689,236	\$25,216,469
23	Full-time equivalent positions	120.26	48.64	168.90
24	<u>Subdivision 9.</u>			
25	<u>MAYVILLE STATE UNIVERSITY</u>			
26			Adjustments or	
27		Base Level	Enhancements	Appropriation
28	Operations	\$15,642,731	\$28,611,943	\$44,254,674
29	Capital assets	0	358,992	358,992
30	Total all funds	\$15,642,731	\$28,970,935	\$44,613,666
31	Less estimated income	0	30,307,148	30,307,148

1	Total general fund	\$15,642,731	(\$1,336,213)	\$14,306,518
2	Full-time equivalent positions	66.23	144.30	210.53
3	<u>Subdivision 10.</u>			
4	<u>MINOT STATE UNIVERSITY</u>			
5			Adjustments or	
6		Base Level	Enhancements	Appropriation
7	Operations	\$45,037,266	\$55,838,786	\$100,876,052
8	Capital assets	499,620	600,000	1,099,620
9	Total all funds	\$45,536,886	\$56,438,786	\$101,975,672
10	Less estimated income	0	62,058,916	62,058,916
11	Total general fund	\$45,536,886	(\$5,620,130)	\$39,916,756
12	Full-time equivalent positions	204.10	237.55	441.65
13	<u>Subdivision 11.</u>			
14	<u>VALLEY CITY STATE UNIVERSITY</u>			
15			Adjustments or	
16		Base Level	Enhancements	Appropriation
17	Operations	\$23,218,126	\$25,312,806	\$48,530,932
18	Capital assets	0	455,823	455,823
19	Total all funds	\$23,218,126	\$25,768,629	\$48,986,755
20	Less estimated income	0	28,470,657	28,470,657
21	Total general fund	\$23,218,126	(\$2,702,028)	\$20,516,098
22	Full-time equivalent positions	105.59	97.16	202.75
23	<u>Subdivision 12.</u>			
24	<u>DAKOTA COLLEGE AT BOTTINEAU</u>			
25			Adjustments or	
26		Base Level	Enhancements	Appropriation
27	Operations	\$8,017,920	\$9,179,785	\$17,197,705
28	Capital assets	86,537	27,470	114,007
29	Total all funds	\$8,104,457	\$9,207,255	\$17,311,712
30	Less estimated income	0	9,629,173	9,629,173

1	Total general fund	\$8,104,457	(\$421,918)	\$7,682,539
2	Full-time equivalent positions	46.96	37.34	84.30
3	<u>Subdivision 13.</u>			
4	<u>UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES</u>			
5		<u>Adjustments or</u>		
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Operations	\$53,166,247	\$158,723,654	\$211,889,901
8	Total all funds	\$53,166,247	\$158,723,654	\$211,889,901
9	Less estimated income	0	154,078,620	154,078,620
10	Total general fund	\$53,166,247	\$4,645,034	\$57,811,281
11	Full-time equivalent positions	184.58	251.17	435.75
12	<u>Subdivision 14.</u>			
13	<u>NORTH DAKOTA FOREST SERVICE</u>			
14		<u>Adjustments or</u>		
15		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
16	Operations	\$6,228,620	\$8,729,827	\$14,958,447
17	Capital assets	101,210	17,518	118,728
18	Total all funds	\$6,329,830	\$8,747,345	\$15,077,175
19	Less estimated income	1,650,000	9,000,748	10,650,748
20	Total general fund	\$4,679,830	(\$253,403)	\$4,426,427
21	Full-time equivalent positions	28.96	(1.96)	27.00
22	<u>Subdivision 15.</u>			
23	<u>BILL TOTAL</u>			
24		<u>Adjustments or</u>		
25		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
26	Grand total general fund	\$681,876,059	(\$56,954,279)	\$624,921,780
27	Grand total special funds	4,161,216	2,030,805,059	2,034,966,275
28	Grand total all funds	\$686,037,275	\$1,973,850,780	\$2,659,888,055

29 **SECTION 2. HEALTH INSURANCE INCREASE.** Section 1 of this Act includes the sum of  
30 \$17,991,140, of which \$5,638,788 is from the general fund, for increases in employee health  
31 insurance premiums from \$1,130 to \$1,241 per month.

1       **SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**  
 2       **SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
 3 items approved by the sixty-fourth legislative assembly as adjusted for the 2015-17 biennium  
 4 and the 2017-19 biennium one-time funding items included in section 1 of this Act:

5	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
6	Capital projects - general funds	\$99,167,288	\$0
7	<del>Capital projects - other funds</del>	<del>44,848,194</del>	<del>0</del>
8	<u>Capital projects - other funds</u>	<u>44,848,194</u>	<u>168,505,000</u>
9	Campus security pool	2,763,562	0
10	Core technology services projects	2,821,500	0
11	Open education resource training	107,250	0
12	Theodore Roosevelt center	800,000	0
13	Williston state college energy development impact	2,500,000	0
14	Dickinson state university leadership transition	2,000,000	0
15	Museum of art deferred maintenance	760,000	0
16	Deferred maintenance pool	8,482,500	0
17	School of medicine and health sciences residency positions	4,700,000	0
18	Health care workforce initiative	13,814,806	0
19	Desktop support services	81,750	0
20	Email retention	350,000	0
21	Dickinson state university Woods Hall renovation	11,500,000	0
22	<del>Education challenge grants</del>	<del>22,124,500</del>	<del>0</del>
23	<del>Total all funds</del>	<del>\$216,821,350</del>	<del>\$0</del>
24	<del>Total other funds</del>	<del>60,848,194</del>	<del>0</del>
25	<del>Total general fund</del>	<del>\$155,973,156</del>	<del>\$0</del>
26	<u>Education challenge grants</u>	<u>22,124,500</u>	<u>2,000,000</u>
27	<u>Institution operations distributions</u>	<u>0</u>	<u>2,000,000</u>
28	<u>Dickinson state university operations and debt repayment</u>	<u>0</u>	<u>7,409,626</u>
29	<u>Two-year campus study</u>	<u>0</u>	<u>40,000</u>
30	<u>Midwestern higher education compact dues</u>	<u>0</u>	<u>230,000</u>
31	<u>Total all funds</u>	<u>\$216,821,350</u>	<u>\$180,184,626</u>

1 Total other funds 60,848,194 168,505,000

2 Total general fund \$155,973,156 \$11,679,626

3 The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for  
4 the 2019-21 biennium. The North Dakota university system shall report to the appropriations  
5 committees of the sixty-sixth legislative assembly on the use of this one-time funding for the  
6 biennium July 1, 2017, and ending June 30, 2019.

7 **SECTION 4. AMENDMENT.** Section 15-10-48 of the North Dakota Century Code is  
8 amended and reenacted as follows:

9 **15-10-48. Advancement of academics - Matching grants - University of North Dakota**  
10 **and North Dakota state university.**

11 1. a. ~~During the period beginning July 1, 2015, and ending December 31, 2016~~Subject  
12 to legislative appropriations, each biennium during the period beginning July first  
13 of each odd-numbered year and ending December thirty-first of each even-  
14 numbered year, the state board of higher education shall award one dollar in  
15 matching grants for every two dollars raised by the institutional foundations of the  
16 university of North Dakota and North Dakota state university for projects  
17 dedicated exclusively to the advancement of academics.

18 b. To be eligible for a matching grant, an institution must demonstrate that:  
19 (1) Its foundation has raised at least fifty thousand dollars in cash or monetary  
20 pledges for a qualifying project; and  
21 (2) The project has been approved by the grant review committee established  
22 in section 15-10-51.

23 c. The board may award up to ~~seven million~~two hundred thousand dollars in  
24 matching grants to each institution. ~~The first two million dollars in matching grants~~  
25 ~~awarded to each institution must be used for student scholarships that comply~~  
26 ~~with section 15-10-53.~~

27 d. Projects at the university of North Dakota school of medicine and health sciences  
28 are not eligible to receive a grant under this section.

29 2. a. If any available dollars have not been awarded by the board before January ~~1,~~  
30 ~~2017~~first of each odd-numbered year, in accordance with subsection 1, either the

- 1 university of North Dakota or North Dakota state university may apply for an  
2 additional matching grant.
- 3 b. An application submitted under this subsection must meet the same criteria as an  
4 original application.
- 5 c. The board shall consider each application submitted under this subsection in  
6 chronological order.
- 7 d. If the remaining dollars are insufficient to provide a matching grant in the amount  
8 of one dollar for every two dollars raised by the institutional foundation, the board  
9 shall award a lesser amount.
- 10 3. The state board of higher education shall retain up to one-quarter of one percent of  
11 any grant awarded under this section to assist with administrative expenses incurred  
12 in the grant review process.

13 **SECTION 5. AMENDMENT.** Section 15-10-49 of the North Dakota Century Code is  
14 amended and reenacted as follows:

15 **15-10-49. Advancement of academics - Matching grants - Two-year and four-year**  
16 **institutions of higher education.**

- 17 1. a. ~~During the period beginning July 1, 2015, and ending December 31, 2016~~Subject  
18 to legislative appropriations, each biennium during the period beginning July first  
19 of each odd-numbered year and ending December thirty-first of each even-  
20 numbered year, the state board of higher education shall award one dollar in  
21 matching grants for every two dollars raised by the institutional foundations of  
22 Bismarck state college, Dakota college at Bottineau, ~~Dickinson state university,~~  
23 Lake Region state college, Mayville state university, Minot state university, North  
24 Dakota state college of science, Valley City state university, and Williston state  
25 college for projects dedicated exclusively to the advancement of academics.
- 26 b. To be eligible for a matching grant, an institution must demonstrate that:
- 27 (1) Its foundation has raised at least twenty-five thousand dollars in cash or  
28 monetary pledges for a qualifying project; and
- 29 (2) The project has been approved by the grant review committee established  
30 in section 15-10-51.

- 1 c. The board may award up to ~~one million~~ two hundred thousand dollars in matching  
2 grants to each institution.
- 3 2. a. If any available dollars have not been awarded by the board before January ~~1,~~  
4 2017 first of each odd-numbered year, in accordance with subsection 1, any  
5 institution listed in subsection 1 may apply for an additional matching grant.
- 6 b. An application submitted under this subsection must meet the same criteria as an  
7 original application.
- 8 c. The board shall consider each application submitted under this subsection in  
9 chronological order.
- 10 d. If the remaining dollars are insufficient to provide a matching grant in the amount  
11 of one dollar for every two dollars raised by the institutional foundation, the board  
12 shall award a lesser amount.
- 13 ~~3. a. The board may award an additional five hundred thousand dollars in matching~~  
14 ~~grants to institutions that have been awarded one million dollars in matching~~  
15 ~~grants under subsection 1 and apply for an additional matching grant.~~
- 16 ~~b. An application submitted under this subsection must meet the same criteria as an~~  
17 ~~original application.~~
- 18 ~~c. The board shall consider each application submitted under this subsection in~~  
19 ~~chronological order.~~
- 20 ~~d. If the funding provided under this subsection is insufficient to provide a matching~~  
21 ~~grant in the amount of one dollar for every two dollars raised by the institutional~~  
22 ~~foundation, the board shall award a lesser amount.~~
- 23 ~~4.~~ The state board of higher education shall retain up to one-quarter of one percent of  
24 any grant awarded under this section to assist with administrative expenses incurred  
25 in the grant review process.

26 **SECTION 6.** A new section to chapter 15-10 of the North Dakota Century Code is created  
27 and enacted as follows:

28 **Capital project and capital lease requests - Maintenance reserve account.**

- 29 1. Notwithstanding any existing agreements, an institution under the control of the state  
30 board of higher education shall obtain approval from the legislative assembly before  
31 the institution acquires any additional facility space to be used by the institution for any

1 purpose, if the acquisition would result in additional operating costs funded from any  
2 source. This subsection does not apply to operating lease agreements that preclude  
3 the ownership of the leased facility.

4 2. Notwithstanding any existing agreements, an institution under the control of the state  
5 board of higher education shall obtain approval from the legislative assembly before  
6 an institution purchases, rents, occupies, or otherwise utilizes a building or any portion  
7 of a building for a purpose that directly or indirectly supports or relates to the  
8 institution's educational or administrative functions if the building is located more than  
9 ten miles from the campus of the institution. This subsection does not apply to  
10 buildings utilized by an institution to offer dual-credit courses, buildings utilized by the  
11 agricultural experiment station and research extension centers, and buildings utilized  
12 by the North Dakota state university extension service. For purposes of this section,  
13 "campus" means the campus of the institution under the Federal Clery Act [Pub. L.  
14 105-244; 20 U.S.C. 1092(f)].

15 3. An institution under the control of the state board of higher education may undertake a  
16 facility renovation project only if the project will reduce the deferred maintenance  
17 amount of the facility by no less than seventy five percent of the total cost of the  
18 renovation. The institution shall maintain documentation that demonstrates the cost  
19 and scope of the deferred maintenance reduction that results directly from the  
20 renovation. This subsection does not apply to projects undertaken solely to correct  
21 building code deficiencies or to installations of infrastructure determined by the board  
22 to be essential to the mission of the institution.

23 4. Facility construction and renovation projects undertaken by an institution under the  
24 control of the state board of higher education must conform to campus master plan  
25 and space utilization requirements approved by the state board of higher education.

26 5. An institution that obtains legislative approval under subsection 1 must establish a  
27 maintenance reserve fund of three percent of the total construction cost or  
28 replacement value, whichever is greater, of the acquired space. The institution's plans  
29 for funding the maintenance reserve fund must be included in the request for  
30 legislative approval under subsection 1. Maintenance reserve funds must be deposited  
31 in an account under the control of the state board of higher education before the

acquired space may be occupied, and the funds may be used for maintenance repairs after the total deferred maintenance of the space exceeds thirty percent of its replacement value. The funds may not be used for any other purpose. This subsection does not apply to additional space acquired through the sale of revenue bonds that require by covenant the establishment of maintenance reserve funds.

**SECTION 7.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

**Nickel trophy.**

To promote national recognition and statewide enthusiasm, the legislative assembly encourages the university of North Dakota and the North Dakota state university of agriculture and applied science to play for the nickel trophy during the course of a national collegiate athletic association football game. If the athletic director or president of either institution elects not to play for the nickel trophy, the nickel trophy must be permanently displayed in the heritage center.

**SECTION 8. AMENDMENT.** Section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

**15-18.2-05. Base funding - Determination of state aid.**

1. ~~In~~ Except as provided under subsection 2, in order to determine the state aid payment to which each institution under its control is entitled, the state board of higher education shall multiply the product determined under section 15-18.2-04 by a base amount of:

~~1.~~ a. \$72.63~~\$58.69~~\$58.65 in the case of North Dakota state university and the university of North Dakota;

~~2.~~ b. \$107.33~~\$87.03~~\$86.95 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and

~~3.~~ c. \$114.88~~\$93.12~~\$93.03 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.

2. An institution is entitled to an amount equal to seventy-five percent of the product determined under subsection 1 for credits completed by students receiving a tuition waiver pursuant to section 11 of this Act.

1       **SECTION 9. AMENDMENT.** Section 15-18.2-06 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3       **15-18.2-06. (Effective through June 30, 20172019) Base funding - Minimum amount**  
4 **payable.**

5       Notwithstanding any calculations required by this chapter, during each ~~fiscal year, beginning~~  
6 ~~with 2014-15~~biennium, an institution may not receive less than ninety-six percent of the state  
7 aid to which the institution was entitled under this chapter during the previous ~~fiscal~~  
8 ~~year~~biennium.

9       **SECTION 10. AMENDMENT.** Section 54-10-22.1 of the North Dakota Century Code is  
10 amended and reenacted as follows:

11       **54-10-22.1. State auditor's access to information relating to operations of**  
12 **governmental entities subject to audit.**

13       Notwithstanding any other specific sections of law, the state auditor and persons employed  
14 by the state auditor, when necessary in conducting an audit, shall have access to all information  
15 relating to operations of all governmental units or component units subject to audit except active  
16 investigatory work product of the attorney general as defined in section 44-04-19.1 and financial  
17 records and estate planning records a donor provides to a nonprofit organization affiliated with  
18 an institution under the control of the state board of higher education which provides support to  
19 and is organized and operated for the benefit of the institution. Except for active investigatory  
20 work product of the attorney general as defined in section 44-04-19.1 and tax records as  
21 described in section 54-10-24, the state auditor may inspect any state agency's books, papers,  
22 accounts, or records that may be relevant to an ongoing audit of any other state agency or  
23 computer system audit. The state auditor and persons employed by the state auditor examining  
24 any information, which is confidential by law, shall guard the secrecy of such information except  
25 when otherwise directed by judicial order or as is otherwise provided by law.

26       **SECTION 11.** A new section to chapter 54-12 of the North Dakota Century Code is created  
27 and enacted as follows:

28       **Law enforcement officer tuition and fees waiver.**

29       1. To the extent the annual cap under this section has not been met, an individual who is  
30 employed as a full-time law enforcement officer in this state, who has a minimum of  
31 two years of employment, and who is licensed under chapter 12-63, is entitled to a

1 waiver of twenty-five percent of resident tuition and fees of any institution of higher  
2 education under the control of the state board of higher education if the law  
3 enforcement officer:

4 a. Maintains satisfactory performance with the officer's law enforcement agency;

5 b. Obtains authorization to participate in the waiver program and a certificate of  
6 verification from the law enforcement officer's superior officer which attests to the  
7 officer's satisfactory performance;

8 c. Meets all admission requirements of the institution; and

9 d. Pursues studies leading to a degree from an associate degree program or a  
10 baccalaureate degree program.

11 2. The law enforcement officer may receive the waiver for up to five years from the date  
12 the law enforcement officer first receives a waiver under this section.

13 3. The institution of higher education shall waive twenty-five percent of the officer's tuition  
14 and fees after subtracting awarded federal financial aid grants and state scholarships  
15 and grants for an eligible law enforcement officer during the time the officer is enrolled.  
16 To remain eligible for the waiver, the officer shall comply with all requirements of the  
17 institution for continued attendance and award of an associate degree or a  
18 baccalaureate degree.

19 4. The law enforcement officer shall include the certificate of verification when applying  
20 for enrollment to the institution of higher education.

21 5. The total amount of waivers granted each academic year by institutions under the  
22 control of the state board of higher education may not exceed five hundred thousand  
23 dollars.

24 6. The attorney general shall adopt the rules necessary to implement this section.

25 **SECTION 12. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27 **54-44.1-11. (Effective through July 31, 2017~~2019~~) Office of management and budget to**  
28 **cancel unexpended appropriations - When they may continue.**

29 Except as otherwise provided by law, the office of management and budget, thirty days after  
30 the close of each biennial period, shall cancel all unexpended appropriations or balances of  
31 appropriations after the expiration of the biennial period during which they became available

1 under the law. Unexpended appropriations for the state historical society are not subject to this  
2 section and the state historical society shall report on the amounts and uses of funds carried  
3 over from one biennium to the appropriations committees of the next subsequent legislative  
4 assembly. Unexpended appropriations for the North Dakota university system are not subject to  
5 this section and the North Dakota university system shall report on the amounts and uses of  
6 funds carried over from one biennium to the next to subsequent appropriations committees of  
7 the legislative assembly. The chairmen of the appropriations committees of the senate and  
8 house of representatives of the legislative assembly with the office of the budget may continue  
9 appropriations or balances in force for not more than two years after the expiration of the  
10 biennial period during which they became available upon recommendation of the director of the  
11 budget for:

- 12 1. New construction projects.
- 13 2. Major repair or improvement projects.
- 14 3. Purchases of new equipment costing more than ten thousand dollars per unit if it was  
15 ordered during the first twelve months of the biennium in which the funds were  
16 appropriated.
- 17 4. The purchase of land by the state on a "contract for deed" purchase if the total  
18 purchase price is within the authorized appropriation.
- 19 5. Purchases by the department of transportation of roadway maintenance equipment  
20 costing more than ten thousand dollars per unit if the equipment was ordered during  
21 the first twenty-one months of the biennium in which the funds were appropriated.
- 22 6. Authorized ongoing information technology projects.

23 **(Effective after July 31, 2017-2019) Office of management and budget to cancel**  
24 **unexpended appropriations - When they may continue.** The office of management and  
25 budget, thirty days after the close of each biennial period, shall cancel all unexpended  
26 appropriations or balances of appropriations after the expiration of the biennial period during  
27 which they became available under the law. Unexpended appropriations for the state historical  
28 society are not subject to this section and the state historical society shall report on the amounts  
29 and uses of funds carried over from one biennium to the appropriations committees of the next  
30 subsequent legislative assembly. The chairmen of the appropriations committees of the senate  
31 and house of representatives of the legislative assembly with the office of the budget may

1 continue appropriations or balances in force for not more than two years after the expiration of  
2 the biennial period during which they became available upon recommendation of the director of  
3 the budget for:

- 4 1. New construction projects.
- 5 2. Major repair or improvement projects.
- 6 3. Purchases of new equipment costing more than ten thousand dollars per unit if it was  
7 ordered during the first twelve months of the biennium in which the funds were  
8 appropriated.
- 9 4. The purchase of land by the state on a "contract for deed" purchase if the total  
10 purchase price is within the authorized appropriation.
- 11 5. Purchases by the department of transportation of roadway maintenance equipment  
12 costing more than ten thousand dollars per unit if the equipment was ordered during  
13 the first twenty-one months of the biennium in which the funds were appropriated.
- 14 6. Authorized ongoing information technology projects.

15 **SECTION 13. REPEAL.** Chapter 15-10.2 of the North Dakota Century Code is repealed.

16 **SECTION 14. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -**

17 **APPROPRIATION.** All funds, in addition to those appropriated in section 1 of this Act, from  
18 federal, private, and other sources for competitive grants or other funds that the legislative  
19 assembly has not indicated the intent to reject, including tuition revenue, received by the state  
20 board of higher education and the institutions and entities under the control of the state board of  
21 higher education, are appropriated to the board and those institutions and entities, for the  
22 biennium beginning July 1, 2017, and ending June 30, 2019. All additional funds received under  
23 the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2017,  
24 and ending June 30, 2019, are appropriated to the state board of higher education for  
25 reimbursement to institutions under the control of the board.

26 **SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the  
27 biennium beginning July 1, 2017, and ending June 30, 2019, each capital project authorized by  
28 the state board of higher education must have adequate project management oversight by  
29 either an institution official or a representative of an external entity. An institution may seek  
30 assistance from the North Dakota university system office for project management oversight of  
31 a capital project.

1       **SECTION 16. STUDENT LOAN TRUST FUND - LEGISLATIVE INTENT.** Subdivision 1 of  
2 section 1 of this Act includes the sum of \$1,504,744, or so much of the sum as may be  
3 necessary, from the student loan trust fund of which \$465,307 is for the professional student  
4 exchange program, \$500,000 is for grants to tribally controlled community colleges, and  
5 \$539,437 is for connectND campus solution positions, for the biennium beginning July 1, 2017,  
6 and ending June 30, 2019.

7       Subdivision 13 of section 1 of this Act includes the sum of ~~\$15,200,000~~\$13,806,856, or so  
8 much of the sum as may be necessary, from the student loan trust fund for residency positions  
9 at the university of North Dakota school of medicine and health sciences, for the biennium  
10 beginning July 1, 2017, and ending June 30, 2019. It is the intent of the sixty-fifth legislative  
11 assembly that funding for the residency positions becomes part of ongoing base funding in  
12 future budget requests of the school.

13       **SECTION 17. STATEWIDE MEMBERSHIP DUES.** Subdivision 1 of section 1 of this Act  
14 includes the sum of \$294,000 for membership dues for the western interstate commission for  
15 higher education. Subdivision 1 of section 1 of this Act includes the sum of \$230,000 of  
16 one-time funding for membership dues of the midwestern higher education compact.

17       **SECTION 18. DICKINSON STATE UNIVERSITY - USES OF FUNDS.**

- 18       1. The one-time operations and debt repayment line item included in subdivision 8 of  
19 section 1 of this Act includes the sum of \$7,409,626, or so much of the sum as may be  
20 necessary, which must be used by Dickinson state university as follows:
- 21       a. \$3,100,000 must be used to repay any outstanding debt of the Biesiot activities  
22 center. The funds provided under this subdivision may be used only if the funding  
23 provided under this subdivision will result in final satisfaction of any debt  
24 associated with the facility; and
- 25       b. \$4,309,626 must be used for the operations of the institution.
- 26       2. Dickinson state university shall utilize up to \$2,000,000 of funding from campus  
27 reserves for any additional funding needed to maintain the operations of the institution  
28 during the biennium beginning July 1, 2017, and ending June 30, 2019.
- 29       3. Dickinson state university may not discontinue any portion of its department of nursing  
30 academic program during the biennium beginning July 1, 2017, and ending June 30,  
31 2019.

1 4. The appropriations identified under this section are considered one-time funding items.

2 **SECTION 19. STATE TREASURER - REALLOCATION OF OIL AND GAS TAX**

3 **DISTRIBUTIONS.** Notwithstanding any other provision of law, during the period beginning  
4 September 1, 2017, and ending August 31, 2019, the state treasurer shall withhold fifty percent  
5 of the amounts allocated to the city of Dickinson under subdivision a of subsection 1 of section  
6 57-51-15, up to a maximum of \$2,500,000 of withholdings, and shall deposit the amounts  
7 withheld in the state general fund.

8 Notwithstanding any other provision of law, during the period beginning September 1, 2017,  
9 and ending August 31, 2019, the state treasurer shall withhold fifty percent of the amounts  
10 allocated to stark county under subdivision a of subsection 5 of section 57-51-15, up to a  
11 maximum of \$375,000 of withholdings, and shall deposit the amounts withheld in the state  
12 general fund.

13 **SECTION 20. TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT REPORT.**

14 Notwithstanding section 54-16-04, the state board of higher education may transfer  
15 appropriation authority ~~between~~from the operations ~~and to the~~ capital assets line items within  
16 subdivisions 2 through 14 of section 1 of this Act for the biennium beginning July 1, 2017, and  
17 ending June 30, 2019. The board shall report any transfer of funds under this section to the  
18 office of management and budget and the legislative management.

19 **SECTION 21. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.** Notwithstanding  
20 any other provisions of law, the state board of higher education may adjust full-time equivalent  
21 positions as needed, subject to the availability of funds, for institutions and entities under its  
22 control during the biennium beginning July 1, 2017, and ending June 30, 2019. The North  
23 Dakota university system shall report any adjustments to the office of management and budget  
24 ~~before~~as part of the submission of the 2019-21 biennium budget request.

25 **SECTION 22. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH**

26 **SCIENCES OPERATIONS.** The operations line item in subdivision 5 of section 1 of this Act  
27 includes a funding allocation from the higher education per student credit-hour funding formula  
28 attributable to inflation during the biennium beginning July 1, 2017, and ending June 30, 2019.  
29 Based on the recommendation of the commissioner of higher education, a portion of the  
30 allocation must be transferred by the state board of higher education to the university of North  
31 Dakota school of medicine and health sciences.

1       **SECTION 23. BOND ISSUANCE AUTHORIZATION - PURPOSES.** The state board of  
2 higher education, in accordance with chapter 15-55, may arrange for the funding of projects  
3 authorized in this section, declared to be in the public interest, through the issuance of self-  
4 liquidating, tax-exempt evidences of indebtedness under chapter 15-55, beginning with the  
5 effective date of this section and ending June 30, 2019. Evidences of indebtedness issued  
6 pursuant to this section are not a general obligation of the state of North Dakota. Any  
7 unexpended balance resulting from the proceeds of the evidences of indebtedness must be  
8 placed in a sinking fund to be used for the retirement of indebtedness. The evidences of  
9 indebtedness may be issued and the proceeds are appropriated in section 1 of this Act for the  
10 following capital projects:

11 North Dakota state university - New residence hall	\$39,505,000
12 North Dakota state university - University village replacement	<u>10,000,000</u>
13 Total special funds	\$49,505,000

14       **SECTION 24. EXEMPTION - THEODORE ROOSEVELT CENTER PROJECT.** ~~The~~Except  
15 as provided in this section, the amounts appropriated for the Theodore Roosevelt center project  
16 in section 3 of chapter 34 of the 2013 Session Laws and section 4 of chapter 49 of the 2013  
17 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these  
18 sections are available during the biennium beginning July 1, 2017, and ending June 30, 2019,  
19 as follows:

- 20       1. Of the unexpended appropriations available under this section, up to \$750,000 may be  
21 used for the operations of the Theodore Roosevelt presidential library. Any remaining  
22 funds may be used only for the planning, design, and construction of the Theodore  
23 Roosevelt presidential library building and may not be used for operations, exhibits, or  
24 replica structures.
- 25       2. Any expenditure of funds continued under this section, including funds used to match  
26 state funds, must be approved in advance by an employee of the office of  
27 commissioner of higher education designated by the state board of higher education.
- 28       3. The director of the office of management and budget shall cancel any appropriation  
29 authority continued under this section on December 31, 2018, unless Dickinson state  
30 university has certified to the director that:

1 a. Construction commenced on the presidential library building prior to  
2 December 31, 2018;

3 b. A North Dakota architect was used to design the presidential library building;

4 c. The cost of constructing the building, including planning and design costs, will  
5 exceed fourteen million dollars; and

6 d. Except as provided in subsection 1, no state appropriated funds designated for  
7 the Theodore Roosevelt presidential library building project nor any funds used to  
8 match the state funding are being used for purposes other than for planning,  
9 design, and construction costs of the building.

10 **SECTION 25. EXEMPTION - HIGHER EDUCATION CHALLENGE GRANTS -**

11 **TRANSFER.** The unexpended amount remaining for the education challenge fund line item in  
12 section 1 of chapter 34 of the 2013 Session Laws is not subject to section 54-44.1-11 and the  
13 state board of higher education shall transfer any unexpended funds in this line item ~~are~~  
14 ~~available to Dickinson state university for the operations of the institution~~ during the biennium  
15 beginning July 1, 2017, and ending June 30, 2019.

16 **SECTION 26. EXEMPTION - STUDENT FINANCIAL ASSISTANCE GRANTS.** Of the  
17 \$25,634,276 appropriated from the general fund in the student financial assistance grants line  
18 item in subdivision 1 of section 1 of chapter 3 of the 2015 Session Laws, \$5,000,000 is not  
19 subject to section 54-44.1-11 and must be canceled by the office of management and budget on  
20 the effective date of this section.

21 **SECTION 27. TUITION RATE INCREASE LIMITATIONS - BUDGET SECTION**

22 **APPROVAL.**

- 23 1. Except as provided in this section, notwithstanding any other provision of law, the state  
24 board of higher education may not increase tuition rates for resident students  
25 attending institutions of higher education under its control during the 2017-18  
26 academic year by more than ~~three~~four percent as compared to the tuition rate in effect  
27 during the 2017 spring semester unless the board receives prior budget section  
28 approval.
- 29 2. Except as provided in this section, notwithstanding any other provision of law, the state  
30 board of higher education may not increase tuition rates for resident students  
31 attending institutions of higher education under its control during the 2018-19

1 academic year by more than ~~three~~four percent as compared to the tuition rate in effect  
2 during the 2018 spring semester unless the board receives prior budget section  
3 approval.

4 ~~3. During the 2017-18 and 2018-19 academic years, the state board of higher education~~  
5 ~~may increase tuition rates by up to an additional one percent in excess of the rate~~  
6 ~~limitations provided for in subsections 1 and 2 of this section for resident students~~  
7 ~~attending institutions of higher education under its control if the additional tuition~~  
8 ~~revenue is utilized for campus extraordinary repairs and deferred maintenance needs.~~  
9 ~~An institution must provide two dollars of matching funds from operations or other~~  
10 ~~sources, excluding funding appropriated by the legislative assembly for extraordinary~~  
11 ~~repairs or other capital needs at the institution, for each dollar of additional tuition~~  
12 ~~revenue generated from an increase authorized under this subsection. The matching~~  
13 ~~funds provided under this section must be used for campus extraordinary repairs and~~  
14 ~~deferred maintenance needs.~~

15 ~~4.~~ This section does not apply to tuition rates charged for graduate level programs,  
16 including programs offered through the university of North Dakota school of medicine  
17 and health sciences, the university of North Dakota school of law, or the North Dakota  
18 state university school of pharmacy.

19 ~~5.4.~~ This section does not apply to tuition rates for nonresident students attending  
20 institutions of higher education under the control of the state board of higher  
21 education. For purposes of this section, the residency of students for tuition purposes  
22 must be determined under section 15-10-19.1.

23 ~~6.5.~~ This section does not apply to tuition rates determined under tuition reciprocity  
24 agreements entered into by the state board of higher education with other states or  
25 state education compacts.

26 ~~7.6.~~ For purposes of this section, an institution must calculate a resident tuition rate  
27 increase based on the tuition rate paid by an average full-time resident student. The  
28 state board of higher education may exclude adjustments to a tuition rate resulting  
29 from a change in an institution's method of charging tuition, including the consolidation  
30 of existing fees into tuition rates or charging tuition based on a per-credit rate, from  
31 tuition rate calculations under this section.

1       **SECTION 28. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.**

2       The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding  
3       from the general fund for institution extraordinary repairs. An institution shall provide two dollars  
4       of matching funds from operations or other sources, ~~excluding tuition revenue generated~~  
5       ~~specifically for extraordinary repairs and deferred maintenance needs~~, for each one dollar of  
6       extraordinary repairs funding used for a project.

7       **SECTION 29. TRANSFER OF LAND AUTHORIZED.** The state of North Dakota, by and  
8       through the state board of higher education, shall convey certain real property consisting of  
9       approximately 0.8 acres parallel and adjacent to the BNSF railway company right-of-way in  
10      Cass County, North Dakota, known as parcel number 01-3504-08500-000 in the records of  
11      Cass County, North Dakota, to BNSF railway company, if determined appropriate by the state  
12      board of higher education and the commissioner of university and school lands. The terms of  
13      the conveyance must be determined jointly by the state board of higher education or a designee  
14      of the board and the commissioner of university and school lands. North Dakota Century Code  
15      sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer authorized by this section.

16      **SECTION 30. TRANSFER OF LAND AUTHORIZED.** The state of North Dakota, by and  
17      through the state board of higher education, may convey certain real property known as Dakota  
18      hall or airport addition, 1015 north forty-third street, lot h, replat of lot 1 and 2, b 3 block 3 and  
19      part northwest quarter of northwest quarter section 6-151-60 in the records of the city of Grand  
20      Forks, if determined appropriate by the state board of higher education. If any of the real  
21      property authorized to be conveyed under this section is conveyed, the terms of the  
22      conveyance must be determined jointly by the state board of higher education or a designee of  
23      the board and the commissioner of university and school lands. North Dakota Century Code  
24      sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer authorized by this section.

25      **SECTION 31. TRANSFER OF LAND AUTHORIZED.** The state of North Dakota, by and  
26      through the state board of higher education, may convey certain real property known as Ray  
27      Richard's golf course or Ray Richard's golf course addition, 3801 demers avenue, lot 1, block 1,  
28      and Ray Richard's golf course addition, 3501 demers avenue, lot 2, block 1, in the records of  
29      the city of Grand Forks, if determined appropriate by the state board of higher education. If any  
30      of the real property authorized to be conveyed under this section is conveyed, the terms of the  
31      conveyance must be determined by the state board of higher education or a designee of the

1 board. North Dakota Century Code sections 54-01-5.2 and 54-01-05.5 do not apply to the  
2 transfer authorized by this section.

3 **SECTION 32. TRANSFER OF DAKOTA INSTITUTE INVENTORY.** The parks and  
4 recreation department shall transfer the name Dakota institute and all rights, title, interests, and  
5 copyrights and up to eighty percent of any remaining inventory of any Dakota institute  
6 publication, book, or other document or production, regardless of format, to Bismarck state  
7 college. Bismarck state college may transfer any rights, title, interests, copyrights, inventory of  
8 any of the Dakota institute's publications, books, or other documents or productions, regardless  
9 of format, to the author or producer of the document or production.

10 **SECTION 33. RESEARCH NETWORKS - REPORT TO THE LEGISLATIVE**  
11 **MANAGEMENT.** During the biennium beginning July 1, 2017, and ending June 30, 2019, the  
12 state board of higher education, in association with the research institutions under its control,  
13 shall consider opportunities for collaboration on high-performance computing, data analytics,  
14 and connectivity to Minnesota research networks to improve access, increase capacity, and  
15 create efficiencies. The board may utilize appropriations and reserves designated for the  
16 northern tier network to accommodate continued use of existing research networks and to  
17 expand network capabilities. The board shall consider developing policies and procedures to  
18 authorize private entities to utilize the research network. During the 2017-18 interim, the state  
19 board of higher education shall provide a report to the legislative management regarding the  
20 status of efforts to collaborate with Minnesota entities for research network purposes.

21 **SECTION 34. LEGISLATIVE MANAGEMENT STUDY - UNIVERSITY OF NORTH**  
22 **DAKOTA ENERGY AND ENVIRONMENTAL RESEARCH CENTER RELATIONSHIP WITH**  
23 **THE UNIVERSITY OF NORTH DAKOTA.** During the 2017-18 interim, the Legislative  
24 Management shall consider studying the relationship between the University of North Dakota  
25 and the Energy and Environmental Research Center. The study, if conducted, must include a  
26 review of the working relationship between the entities including financial responsibilities and  
27 expectations of each entity including potential alternative administrative reporting lines and  
28 business models. The Legislative Management shall report its findings and recommendations,  
29 including any legislation necessary to implement the recommendations, to the sixty-sixth  
30 legislative assembly.

1       **SECTION 35. STATE BOARD OF HIGHER EDUCATION - STUDY OF THE**  
2 **REORGANIZATION OF TWO-YEAR INSTITUTIONS - REPORT TO SIXTY-SIXTH**  
3 **LEGISLATIVE ASSEMBLY.** During the period beginning July 1, 2017, and ending

4 December 31, 2018, the state board of higher education shall study the reorganization of the  
5 two-year institutions under its control into a community and technology college system that  
6 addresses workforce and education needs of the state. As part of the study, the board shall  
7 consider:

- 8       1. Shared administration;
- 9       2. Shared courses, including a common course catalog;
- 10      3. Articulation agreements linking elementary and secondary education, career  
11       academies, and career and technical education to postsecondary certificates and  
12       associate's degrees;
- 13      4. Centralized processing of student admissions, housing applications, financial aid, and  
14       advising; and
- 15      5. Centralized services, including bookstore operations, food services, marketing,  
16       procurement, accounting, and human resources.

17 The state board of higher education shall approve and present a plan to implement the  
18 recommendations of its study to reorganize two-year institutions, including drafts of legislation  
19 necessary to implement the recommendations, to the appropriations committees of the  
20 sixty-sixth legislative assembly.

21       **SECTION 36. STATE BOARD OF HIGHER EDUCATION - STUDY OF NURSING**  
22 **PROGRAMS - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY.** During the period

23 beginning July 1, 2017, and ending December 31, 2018, the state board of higher education  
24 shall study the reorganization of nursing programs at institutions under its control. As part of the  
25 study, the board shall review the number of institutions offering nursing programs, the level of  
26 programs offered, and the locations of programs. The board shall consider options to develop  
27 collaborations among institutions to offer programs in an efficient and effective manner to  
28 address the workforce needs of the state.

29       The state board of higher education shall approve and present a plan to implement the  
30 recommendations of its study to reorganize nursing programs, including drafts of legislation

1 necessary to implement the recommendations, to the appropriations committees of the  
2 sixty-sixth legislative assembly.

3 **SECTION 37. STATE BOARD OF HIGHER EDUCATION DATA AND REPORTING**

4 **INCONSISTENCIES - REPORT TO LEGISLATIVE MANAGEMENT.** During the biennium  
5 beginning July 1, 2017, and ending June 30, 2019, the state board of higher education shall  
6 evaluate the following data and reporting inconsistency issues at institutions and entities under  
7 its control and develop policies and procedures to correct ~~the inconsistencies~~:

8 1. Inconsistent employee classifications and human resources reporting;

9 2. Inconsistent employee leave policies;

10 3. Inconsistent practices for awarding tuition waivers; and

11 ~~3.4.~~ Inconsistent practices regarding the charging of student fees.

12 The state board of higher education shall provide a report to and consult with the legislative  
13 management during the 2017-18 interim regarding the status of the inconsistencies, including  
14 policies and procedures being developed to address the inconsistencies.

15 **SECTION 38. REDUCTION IN EMPLOYEES - LEGISLATIVE INTENT - REPORT TO**

16 **LEGISLATIVE MANAGEMENT.** It is the intent of the sixty-fifth legislative assembly that if the  
17 number of full-time equivalent positions is reduced at institutions under the control of the state  
18 board of higher education, any reduction be applied among all classifications of employees with  
19 emphasis on senior administrative positions. During the 2017-18 interim, the state board of  
20 higher education shall provide reports to the legislative management regarding the total number  
21 of employee positions reduced at each institution, the number of administrative positions  
22 reduced at each institution, and whether any former administrative staff employees are still  
23 employed by the institution in a different position.

24 **SECTION 39. LEGISLATIVE INTENT - NORTH DAKOTA STATE UNIVERSITY - LEASE**

25 **ARRANGEMENT AND OTHER SAVINGS.** It is the intent of the sixty-fifth legislative assembly  
26 that future general fund appropriations in support of the North Dakota state university  
27 department of nursing program in Bismarck be adjusted for savings resulting from facility lease  
28 negotiations and for credit-hours completed at the school.

29 **SECTION 40. EFFECTIVE DATE.** Section 13 of this Act become effective on June 30,  
30 2017.

1 | **SECTION 41. EMERGENCY.** ~~Section 11~~ Sections 13, 23, 24, 26, 28, and 40 and the capital  
2 | assets line items in section 1 of this Act are declared to be an emergency measure.