

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; to create and enact section 15-18.2-06.1 and a new chapter to title 15 of the
3 North Dakota Century Code, relating to a higher education funding formula minimum amount
4 payable and a university system capital building fund; to amend and reenact subdivision k of
5 subsection 1 of section 15-18.2-02, and sections 15-18.2-03, 15-18.2-05, and 54-44.1-11 of the
6 North Dakota Century Code, relating to the higher education funding formula and the
7 cancellation of unexpended appropriations; to amend and reenact section 2 of chapter 53 of the
8 2019 Session Laws, relating to appropriations for higher education capital projects; to repeal
9 section 15-18.2-04 of the North Dakota Century Code, relating to the institutional size factor of
10 the higher education funding formula; to provide for a transfer; to provide for a report; and to
11 provide an exemption; to provide for a study; to provide a statement of legislative intent; to
12 provide a continuing appropriation; and to declare an emergency.

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

14 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
15 as may be necessary, are appropriated out of any moneys in the general fund in the state
16 treasury, not otherwise appropriated, and from special funds derived from federal funds and
17 other income, to the state board of higher education and to the entities and institutions under
18 the supervision of the board, for the purpose of defraying the expenses of the state board of
19 higher education and the entities and institutions under the control of the board, for the
20 biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

21 ~~Subdivision 1.~~

22 ~~NORTH DAKOTA UNIVERSITY SYSTEM~~

23 ~~_____ Governor's _____~~

24 ~~_____ Base Level _____~~

~~_____ Recommendation _____~~

~~_____ Appropriation _____~~

Sixty-seventh
Legislative Assembly

1	Capital assets – bond payments	\$4,959,448	\$13,385,264	\$4,959,448
2	Competitive research programs	5,685,750	5,685,750	5,685,750
3	System governance	8,737,867	8,461,440	8,737,867
4	Core technology services	62,286,128	60,149,789	62,286,128
5	Student financial assistance grants	23,917,306	26,317,306	23,917,306
6	Professional student exchange program	3,699,342	3,699,342	3,699,342
7	Academic and CTE scholarships	12,016,749	16,216,749	12,016,749
8	Scholars program	1,807,115	1,807,115	1,807,115
9	Native American scholarship	555,323	555,323	555,323
10	Tribally controlled community	1,000,000	1,000,000	1,000,000
11	—college grants			
12	Education incentive programs	260,000	260,000	260,000
13	Student mental health	284,400	263,070	284,400
14	Veterans' assistance grants	277,875	277,875	277,875
15	Shared campus services	500,000	462,500	500,000
16	Tier II capital building fund	0	10,000,000	0
17	Tier III capital building fund	0	9,000,000	0
18	Education challenge fund	0	10,000,000	0
19	NASA EPSCoR	342,000	342,000	342,000
20	Total all funds	\$126,329,303	\$167,883,523	\$126,329,303
21	Less estimated income	24,002,206	43,292,521	24,002,206
22	Total general fund	\$102,327,097	\$124,591,002	\$102,327,097
23	Full-time equivalent positions	148.90	158.83	148.90
24	— Subdivision 2:			
25	BISMARCK STATE COLLEGE			
26			Governor's	
27		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
28	Operations	\$98,743,682	\$94,833,161	\$98,743,682
29	Capital assets	1,922,561	1,922,561	1,922,561
30	Total all funds	\$100,666,243	\$96,755,722	\$100,666,243
31	Less estimated income	69,598,016	70,397,093	69,598,016

Sixty-seventh
Legislative Assembly

1	Total general fund	\$31,068,227	\$26,358,629	\$31,068,227
2	Full-time equivalent positions	323.93	332.90	323.93
3	Subdivision 3:			
4	LAKE REGION STATE COLLEGE			
5	Governor's			
6		Base Level	Recommendation	Appropriation
7	Operations	\$37,559,127	\$37,609,509	\$37,559,127
8	Capital assets	362,667	362,667	362,667
9	Total all funds	\$37,921,794	\$37,972,176	\$37,921,794
10	Less estimated income	24,976,514	25,277,315	24,976,514
11	Total general fund	\$12,945,280	\$12,694,861	\$12,945,280
12	Full-time equivalent positions	118.10	115.76	118.10
13	Subdivision 4:			
14	WILLISTON STATE COLLEGE			
15	Governor's			
16		Base Level	Recommendation	Appropriation
17	Operations	\$32,596,060	\$32,008,884	\$32,596,060
18	Capital assets	1,261,968	1,261,968	1,261,968
19	Total all funds	\$33,858,028	\$33,270,852	\$33,858,028
20	Less estimated income	23,790,285	24,032,252	23,790,285
21	Total general fund	\$10,067,743	\$9,238,600	\$10,067,743
22	Full-time equivalent positions	100.48	101.29	100.48
23	Subdivision 5:			
24	UNIVERSITY OF NORTH DAKOTA			
25	Governor's			
26		Base Level	Recommendation	Appropriation
27	Operations	\$888,106,266	\$881,778,253	\$888,106,266
28	Capital assets	4,411,566	12,354,410	4,411,566
29	Total all funds	\$892,517,832	\$894,132,663	\$892,517,832
30	Less estimated income	744,185,677	756,301,488	744,185,677

Sixty-seventh
Legislative Assembly

1	Total general fund	\$148,332,155	\$137,831,175	\$148,332,155
2	Full-time equivalent positions	2,132.17	2,059.98	2,132.17
3	Subdivision 6:			
4	NORTH DAKOTA STATE UNIVERSITY			
5	Governor's			
6		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
7	Operations	\$743,775,571	\$742,604,060	\$743,775,571
8	Capital assets	7,799,104	22,196,732	7,799,104
9	Total all funds	\$751,574,675	\$764,800,792	\$751,574,675
10	Less estimated income	618,859,692	639,659,459	618,859,692
11	Total general fund	\$132,714,983	\$125,141,333	\$132,714,983
12	Full-time equivalent positions	1,870.16	1,829.43	1,870.16
13	Subdivision 7:			
14	NORTH DAKOTA STATE COLLEGE OF SCIENCE			
15	Governor's			
16		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
17	Operations	\$95,725,411	\$92,558,779	\$95,725,411
18	Capital assets	1,012,379	1,012,379	1,012,379
19	Total all funds	\$96,737,790	\$93,571,158	\$96,737,790
20	Less estimated income	60,195,768	60,820,602	60,195,768
21	Total general fund	\$36,542,022	\$32,750,556	\$36,542,022
22	Full-time equivalent positions	310.73	311.61	310.73
23	Subdivision 8:			
24	DICKINSON STATE UNIVERSITY			
25	Governor's			
26		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
27	Operations	\$48,560,994	\$48,699,942	\$48,560,994
28	Capital assets	409,078	409,078	409,078
29	Total all funds	\$48,970,072	\$49,109,020	\$48,970,072
30	Less estimated income	30,577,009	30,982,753	30,577,009

Sixty-seventh
Legislative Assembly

1	Total general fund	\$18,393,063	\$18,126,267	\$18,393,063
2	Full-time equivalent positions	213.26	175.50	213.26
3	Subdivision 9:			
4	MAYVILLE STATE UNIVERSITY			
5	Governor's			
6		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
7	Operations	\$47,719,555	\$48,986,542	\$47,719,555
8	Capital assets	358,992	409,121	358,992
9	Total all funds	\$48,078,547	\$49,395,663	\$48,078,547
10	Less estimated income	31,657,931	32,196,469	31,657,931
11	Total general fund	\$16,420,616	\$17,199,194	\$16,420,616
12	Full-time equivalent positions	209.27	230.35	209.27
13	Subdivision 10:			
14	MINOT STATE UNIVERSITY			
15	Governor's			
16		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
17	Operations	\$102,325,073	\$100,588,185	\$102,325,073
18	Capital assets	1,099,620	1,099,620	1,099,620
19	Total all funds	\$103,424,693	\$101,687,805	\$103,424,693
20	Less estimated income	63,528,000	64,010,842	63,528,000
21	Total general fund	\$39,896,693	\$37,676,963	\$39,896,693
22	Full-time equivalent positions	407.58	403.04	407.58
23	Subdivision 11:			
24	VALLEY CITY STATE UNIVERSITY			
25	Governor's			
26		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
27	Operations	\$48,176,928	\$46,391,297	\$48,176,928
28	Capital assets	455,823	510,445	455,823
29	Total all funds	\$48,632,751	\$46,901,742	\$48,632,751
30	Less estimated income	25,973,818	26,350,182	25,973,818

Sixty-seventh
Legislative Assembly

1	Total general fund	\$22,658,933	\$20,551,560	\$22,658,933
2	Full-time equivalent positions	180.68	202.77	180.68
3	Subdivision 12:			
4	DAKOTA COLLEGE AT BOTTINEAU			
5	Governor's			
6		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
7	Operations	\$21,440,606	\$22,697,203	\$21,440,606
8	Capital assets	114,007	4,114,007	114,007
9	Total all funds	\$21,554,613	\$26,811,210	\$21,554,613
10	Less estimated income	13,813,787	18,184,721	13,813,787
11	Total general fund	\$7,740,826	\$8,626,489	\$7,740,826
12	Full-time equivalent positions	82.29	91.86	82.29
13	Subdivision 13:			
14	UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES			
15	Governor's			
16		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
17	Operations	\$213,244,364	\$214,293,869	\$213,244,364
18	Healthcare workforce initiative	10,676,150	10,676,150	10,676,150
19	Total all funds	\$223,920,514	\$224,970,019	\$223,920,514
20	Less estimated income	159,037,011	160,904,690	159,037,011
21	Total general fund	\$64,883,503	\$64,065,329	\$64,883,503
22	Full-time equivalent positions	485.32	492.67	485.32
23	Subdivision 14:			
24	NORTH DAKOTA FOREST SERVICE			
25	Governor's			
26		<u>Base Level</u>	<u>Recommendation</u>	<u>Appropriation</u>
27	Operations	\$15,223,336	\$15,106,733	\$15,223,336
28	Capital assets	118,728	118,728	118,728
29	Total all funds	\$15,342,064	\$15,225,461	\$15,342,064
30	Less estimated income	10,665,400	10,668,990	10,665,400

Sixty-seventh
Legislative Assembly

1	Total general fund	\$4,676,664	\$4,556,471	\$4,676,664
2	Full-time equivalent positions	27.00	28.00	27.00
3	Subdivision 15.			
4	TOTAL SECTION 1			
5	Governor's			
6	Base Level	Recommendation	Appropriation	
7	Grand total general fund	\$648,667,805	\$639,408,429	\$648,667,805
8	Grand total special funds	1,900,861,114	1,963,079,377	1,900,861,114
9	Grand total all funds	\$2,549,528,919	\$2,602,487,806	\$2,549,528,919
10	<u>Subdivision 1.</u>			
11	<u>NORTH DAKOTA UNIVERSITY SYSTEM</u>			
12		<u>Adjustments or</u>		
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Capital assets - bond payments	\$4,959,448	\$8,425,816	\$13,385,264
15	Competitive research programs	5,685,750	0	5,685,750
16	System governance	8,737,867	81,471	8,819,338
17	Core technology services	62,286,128	740,101	63,026,229
18	Student financial assistance grants	23,917,306	2,400,000	26,317,306
19	Professional student exchange program	3,699,342	0	3,699,342
20	Academic and CTE scholarships	12,016,749	4,200,000	16,216,749
21	Scholars program	1,807,115	0	1,807,115
22	Native American scholarship	555,323	0	555,323
23	Tribally controlled community	1,000,000	0	1,000,000
24	<u>college grants</u>			
25	Education incentive programs	260,000	0	260,000
26	Student mental health	284,400	0	284,400
27	Veterans' assistance grants	277,875	0	277,875
28	Shared campus services	500,000	300,000	800,000
29	Nursing education consortium	0	1,356,000	1,356,000
30	Math pathways	0	150,000	150,000
31	NASA EPSCoR	342,000	0	342,000

Sixty-seventh
Legislative Assembly

1	Total all funds	\$126,329,303	\$17,653,388	\$143,982,691
2	Less estimated income	24,002,206	276,821	24,279,027
3	Total general fund	\$102,327,097	\$17,376,567	\$119,703,664
4	Full-time equivalent positions	148.90	9.93	158.83
5	<u>Subdivision 2.</u>			
6	<u>BISMARCK STATE COLLEGE</u>			
7			Adjustments or	
8		Base Level	Enhancements	Appropriation
9	Operations	\$98,743,682	\$1,788,163	\$100,531,845
10	Capital assets	1,922,561	0	1,922,561
11	Total all funds	\$100,666,243	\$1,788,163	\$102,454,406
12	Less estimated income	69,598,016	782,330	70,380,346
13	Total general fund	\$31,068,227	\$1,005,833	\$32,074,060
14	Full-time equivalent positions	323.93	8.97	332.90
15	<u>Subdivision 3.</u>			
16	<u>LAKE REGION STATE COLLEGE</u>			
17			Adjustments or	
18		Base Level	Enhancements	Appropriation
19	Operations	\$37,559,127	\$1,588,168	\$39,147,295
20	Capital assets	362,667	363,000	725,667
21	Total all funds	\$37,921,794	\$1,951,168	\$39,872,962
22	Less estimated income	24,976,514	658,619	25,635,133
23	Total general fund	\$12,945,280	\$1,292,549	\$14,237,829
24	Full-time equivalent positions	118.10	(2.34)	115.76
25	<u>Subdivision 4.</u>			
26	<u>WILLISTON STATE COLLEGE</u>			
27			Adjustments or	
28		Base Level	Enhancements	Appropriation
29	Operations	\$32,596,060	\$1,452,908	\$34,048,968
30	Capital assets	1,261,968	0	1,261,968
31	Total all funds	\$33,858,028	\$1,452,908	\$35,310,936

Sixty-seventh
Legislative Assembly

1	Less estimated income	23,790,285	237,339	24,027,624
2	Total general fund	\$10,067,743	\$1,215,569	\$11,283,312
3	Full-time equivalent positions	100.48	0.81	101.29
4	<u>Subdivision 5.</u>			
5	<u>UNIVERSITY OF NORTH DAKOTA</u>			
6			Adjustments or	
7		Base Level	Enhancements	Appropriation
8	Operations	\$888,106,266	\$15,637,951	\$903,744,217
9	Capital assets	4,411,566	0	4,411,566
10	Total all funds	\$892,517,832	\$15,637,951	\$908,155,783
11	Less estimated income	744,185,677	11,777,467	755,963,144
12	Total general fund	\$148,332,155	\$3,860,484	\$152,192,639
13	Full-time equivalent positions	2,132.17	(72.19)	2,059.98
14	<u>Subdivision 6.</u>			
15	<u>NORTH DAKOTA STATE UNIVERSITY</u>			
16			Adjustments or	
17		Base Level	Enhancements	Appropriation
18	Operations	\$743,775,571	\$12,770,712	\$756,546,283
19	Capital assets	7,799,104	0	7,799,104
20	Total all funds	\$751,574,675	\$12,770,712	\$764,345,387
21	Less estimated income	618,859,692	6,692,288	625,551,980
22	Total general fund	\$132,714,983	\$6,078,424	\$138,793,407
23	Full-time equivalent positions	1,870.16	(40.73)	1,829.43
24	<u>Subdivision 7.</u>			
25	<u>NORTH DAKOTA STATE COLLEGE OF SCIENCE</u>			
26			Adjustments or	
27		Base Level	Enhancements	Appropriation
28	Operations	\$95,725,411	(\$213,890)	\$95,511,521
29	Capital assets	1,012,379	0	1,012,379
30	Total all funds	\$96,737,790	(\$213,890)	\$96,523,900
31	Less estimated income	60,195,768	624,033	60,819,801

Sixty-seventh
Legislative Assembly

1	Total general fund	\$36,542,022	(\$837,923)	\$35,704,099
2	Full-time equivalent positions	310.73	0.88	311.61
3	<u>Subdivision 8.</u>			
4	<u>DICKINSON STATE UNIVERSITY</u>			
5			Adjustments or	
6		Base Level	Enhancements	Appropriation
7	Operations	\$48,560,994	\$2,245,941	\$50,806,935
8	Capital assets	409,078	0	409,078
9	Total all funds	\$48,970,072	\$2,245,941	\$51,216,013
10	Less estimated income	30,577,009	405,018	30,982,027
11	Total general fund	\$18,393,063	\$1,840,923	\$20,233,986
12	Full-time equivalent positions	213.26	(37.76)	175.50
13	<u>Subdivision 9.</u>			
14	<u>MAYVILLE STATE UNIVERSITY</u>			
15			Adjustments or	
16		Base Level	Enhancements	Appropriation
17	Operations	\$47,719,555	\$2,809,482	\$50,529,037
18	Capital assets	358,992	0	358,992
19	Total all funds	\$48,078,547	\$2,809,482	\$50,888,029
20	Less estimated income	31,657,931	558,339	32,216,270
21	Total general fund	\$16,420,616	\$2,251,143	\$18,671,759
22	Full-time equivalent positions	209.27	21.08	230.35
23	<u>Subdivision 10.</u>			
24	<u>MINOT STATE UNIVERSITY</u>			
25			Adjustments or	
26		Base Level	Enhancements	Appropriation
27	Operations	\$102,325,073	\$1,786,019	\$104,111,092
28	Capital assets	1,099,620	0	1,099,620
29	Total all funds	\$103,424,693	\$1,786,019	\$105,210,712
30	Less estimated income	63,528,000	493,882	64,021,882

Sixty-seventh
Legislative Assembly

1	Total general fund	\$39,896,693	\$1,292,137	\$41,188,830
2	Full-time equivalent positions	407.58	(4.54)	403.04
3	<u>Subdivision 11.</u>			
4	<u>VALLEY CITY STATE UNIVERSITY</u>			
5			Adjustments or	
6		Base Level	Enhancements	Appropriation
7	Operations	\$48,176,928	\$1,875,867	\$50,052,795
8	Capital assets	455,823	0	455,823
9	Total all funds	\$48,632,751	\$1,875,867	\$50,508,618
10	Less estimated income	25,973,818	383,860	26,357,678
11	Total general fund	\$22,658,933	\$1,492,007	\$24,150,940
12	Full-time equivalent positions	180.68	22.09	202.77
13	<u>Subdivision 12.</u>			
14	<u>DAKOTA COLLEGE AT BOTTINEAU</u>			
15			Adjustments or	
16		Base Level	Enhancements	Appropriation
17	Operations	\$21,440,606	\$2,177,944	\$23,618,550
18	Capital assets	114,007	4,000,000	4,114,007
19	Total all funds	\$21,554,613	\$6,177,944	\$27,732,557
20	Less estimated income	13,813,787	4,383,803	18,197,590
21	Total general fund	\$7,740,826	\$1,794,141	\$9,534,967
22	Full-time equivalent positions	82.29	9.57	91.86
23	<u>Subdivision 13.</u>			
24	<u>UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES</u>			
25			Adjustments or	
26		Base Level	Enhancements	Appropriation
27	Operations	\$213,244,364	\$3,870,855	\$217,115,219
28	Health care workforce initiative	10,676,150	0	10,676,150
29	Total all funds	\$223,920,514	\$3,870,855	\$227,791,369
30	Less estimated income	159,037,011	1,728,353	160,765,364

1	Total general fund	\$64,883,503	\$2,142,502	\$67,026,005
2	Full-time equivalent positions	485.32	7.35	492.67
3	<u>Subdivision 14.</u>			
4	<u>NORTH DAKOTA FOREST SERVICE</u>			
5			<u>Adjustments or</u>	
6		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
7	Operations	\$15,223,336	\$112,394	\$15,335,730
8	Capital assets	118,728	0	118,728
9	Total all funds	\$15,342,064	\$112,394	\$15,454,458
10	Less estimated income	10,665,400	3,333	10,668,733
11	Total general fund	\$4,676,664	\$109,061	\$4,785,725
12	Full-time equivalent positions	27.00	1.00	28.00
13	<u>Subdivision 15.</u>			
14	<u>TOTAL - SECTION 1</u>			
15			<u>Adjustments or</u>	
16		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
17	Grand total general fund	\$648,667,805	\$40,913,417	\$689,581,222
18	Grand total special funds	1,900,861,114	29,005,485	1,929,866,599
19	Grand total all funds	\$2,549,528,919	\$69,918,902	\$2,619,447,821
20	<u>SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO</u>			
21	<u>SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.</u> The following amounts reflect one-time funding			
22	items approved by the sixty-sixth legislative assembly for the 2019-21 biennium <u>and the</u>			
23	<u>2021-23 biennium one-time funding items included in section 1 of this Act:</u>			
24	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>	
25	Capital projects – other funds	\$408,500,000	\$0	
26	Education challenge grants	9,400,000	0	
27	School of law matching grants	250,000	0	
28	Tier II and tier III capital building funds	29,000,000	0	
29	Theodore Roosevelt digitization	200,000	0	
30	University of North Dakota campus network upgrades	1,500,000	0	
31	North Dakota state university campus network upgrades	1,500,000	0	

1	Total all funds	\$450,350,000	\$0
2	Total other funds	438,500,000	0
3	Total general fund	\$11,850,000	\$0
4	Capital projects - other funds	\$408,500,000	\$4,363,000
5	North Dakota state university settlement agreement	0	125,000
6	Math pathways	0	150,000
7	Education challenge grants	9,400,000	0
8	School of law matching grants	250,000	0
9	Tier II and tier III capital building funds	29,000,000	0
10	Theodore Roosevelt digitization	200,000	0
11	University of North Dakota campus network upgrades	1,500,000	0
12	North Dakota state university campus network upgrades	1,500,000	0
13	Total all funds	\$450,350,000	\$4,638,000
14	Total other funds	438,500,000	4,363,000
15	Total general fund	\$11,850,000	\$275,000

SECTION 3. APPROPRIATION - 2019-21 BIENNIUM - NORTH DAKOTA STATE

UNIVERSITY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$474,657, or so much of the sum as may be necessary, to North Dakota state university for litigation fees relating to the A. Glenn Hill center project, for the period beginning with the effective date of this Act, and ending June 30, 2021.

SECTION 4. APPROPRIATION - VALLEY CITY STATE UNIVERSITY - PURCHASE OF

LAND AUTHORIZED. The state board of higher education, acting for and through Valley City state university, is authorized to purchase two parcels of land in Barnes county, described as the south half of the east one-third of lot one, block four, of Andrus and Sifton's addition to the city of Valley City, and the south one hundred feet of the west one-third of the east half and the east one-third of the west half of lot one, block four, in Andrus and Sifton's addition to the city of Valley City, from the Valley City state university foundation for the use and betterment of Valley City state university. There is appropriated from other funds the sum of \$309,000, or so much of the sum as may be necessary, to Valley City state university for the purposes of this section for the period beginning with the effective date of this Act and ending June 30, 2023. The funding provided in this section is considered a one-time funding item.

1 **SECTION 5. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -**

2 **APPROPRIATION.** All funds, in addition to those appropriated in section 1 of this Act, from
3 federal, private, and other sources for competitive grants or other funds that the legislative
4 assembly has not indicated the intent to reject, including tuition revenue, received by the state
5 board of higher education and the institutions and entities under the control of the state board of
6 higher education, are appropriated to the board and those institutions and entities, for the
7 biennium beginning July 1, 2021, and ending June 30, 2023. All additional funds received under
8 the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2021,
9 and ending June 30, 2023, are appropriated to the state board of higher education for
10 reimbursement to institutions under the control of the board.

11 **SECTION 6. TRANSFER - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE**
12 **AND HEALTH SCIENCES OPERATIONS.** The operations line item in subdivision 5 of section 1
13 of this Act includes a funding allocation from the higher education per student credit-hour
14 funding formula attributable to inflation during the biennium beginning July 1, 2021, and ending
15 June 30, 2023. Based on the recommendation of the commissioner of higher education, a
16 portion of the allocation may be transferred by the state board of higher education between the
17 university of North Dakota school of medicine and health sciences and the university of North
18 Dakota.

19 **SECTION 7. UNSPENT FUNDS - TRANSFER - BANK OF NORTH DAKOTA PROFITS -**
20 **GENERAL FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** Any amounts from the
21 \$17,000,000 from the current earnings and accumulated profits of the Bank of North Dakota for
22 the tier II and tier III capital building fund program and any amounts from the \$2,000,000 from
23 the general fund for the tier III capital building fund program appropriated in section 1 of
24 chapter 3 of the 2019 Session Laws which are not matched and committed for a project by
25 June 30, 2021, must be transferred to the university system capital building fund at the end of
26 the biennium beginning July 1, 2019, and ending June 30, 2021.

27 **SECTION 8. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**
28 **UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget
29 shall transfer \$19,000,000 from the strategic investment and improvements fund to the
30 university system capital building fund during the period beginning with the effective date of this

1 Act, and ending June 30, 2023, as requested by the commissioner of higher education. Funding
2 transferred pursuant to this section is to be allocated to each institution as follows:

	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
4 Bismarck state college	\$425,693	\$500,000	\$925,693
5 Lake Region state college	177,375	500,000	677,375
6 Williston state college	137,947	500,000	637,947
7 University of North Dakota	4,361,801	2,250,000	6,611,801
8 North Dakota state university	2,899,596	2,250,000	5,149,596
9 North Dakota state college of science	500,695	500,000	1,000,695
10 Dickinson state university	268,862	500,000	768,862
11 Mayville state university	240,029	500,000	740,029
12 Minot state university	572,801	500,000	1,072,801
13 Valley City state university	309,137	500,000	809,137
14 Dakota college at Bottineau	<u>106,064</u>	<u>500,000</u>	<u>606,064</u>
15 Total	\$10,000,000	\$9,000,000	\$19,000,000

16 **SECTION 9. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding
17 from the respective institution's university system capital building fund allocation for the
18 following projects authorized by the sixty-sixth and sixty-seventh legislative assemblies:

19 North Dakota state university - Dunbar Hall	\$51,200,000
20 North Dakota state university - Agriculture products development center	60,000,000
21 Dakota college at Bottineau - Old main renovation	4,000,000
22 University of North Dakota - Business school	<u>70,000,000</u>
23 Total	\$185,200,000

24 **SECTION 10. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - LAKE REGION**

25 **STATE COLLEGE - DAKOTA COLLEGE AT BOTTINEAU - CAPITAL PROJECTS.** The

26 appropriation in subdivision 3 of section 1 of this Act includes the sum of \$363,000 from the
27 strategic investment and improvements fund for the Lake Region state college Curtis and

28 Annette Hofstad agricultural center project. The appropriation in subdivision 12 of section 1 of
29 this Act includes the sum of \$2,000,000 from the strategic investment and improvements fund

30 for the Dakota college at Bottineau old main renovation project.

1 **SECTION 11. 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 for each one dollar of extraordinary repairs
5 funding used for a project.

6 **SECTION 12. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the
7 North Dakota Century Code is amended and reenacted as follows:

- 8 k. The ~~factor~~ **factors** for credits completed in career and technical education ~~is-~~
9 ~~2.0~~ **are:**
10 (1) **3.0 for lower division credits; and**
11 (2) **5.0 for upper division credits.**

12 **SECTION 13. AMENDMENT.** Section 15-18.2-03 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **15-18.2-03. Credit completion factor - Determination.**

- 15 1. Except as provided in subsections 2 and 3 of this section, for each institution under its
16 control, the state board of higher education shall multiply the product determined
17 under section 15-18.2-02 by a factor of:
- 18 a. 1.00 if the number of credit-hours is at least 240,000;
 - 19 b. 1.05 if the number of credit-hours is at least 180,000 but less than 240,000;
 - 20 c. 1.10 if the number of credit-hours is at least ~~120,000~~ **135,000** but less than
21 180,000;
 - 22 d. 1.15 if the number of credit-hours is at least ~~90,000~~ **130,000** but less than
23 ~~120,000~~ **135,000**;
 - 24 e. 1.20 if the number of credit-hours is at least ~~80,000~~ **120,000** but less than
25 ~~90,000~~ **130,000**;
 - 26 f. 1.30 if the number of credit-hours is at least 70,000 but less than ~~80,000~~ **120,000**;
 - 27 g. 1.40 if the number of credit-hours is at least 60,000 but less than 70,000;
 - 28 h. 1.50 if the number of credit-hours is at least 50,000 but less than 60,000;
 - 29 i. 1.60 if the number of credit-hours is at least 40,000 but less than 50,000;
 - 30 j. 1.70 if the number of credit-hours is at least 30,000 but less than 40,000; and
 - 31 k. 1.80 if the number of credit-hours is less than 30,000.

1 2. ~~If the square footage of an institution, when divided by the institution's weighted credit-~~
2 ~~hours results in a quotient greater than 5.00, the state board of higher education shall~~
3 ~~multiply the product determined under section 15-18.2-02 by a factor of 1.00. For~~
4 ~~purposes of this subsection, the square footage of an institution includes real property~~
5 ~~as determined by the state board of higher education in accordance with section~~
6 ~~15-18.2-04.~~

7 ~~3.~~ If the number of credit-hours completed by an institution ~~causes~~would cause a
8 ~~decrease in the credit completion factor for that institution, the new credit completion-~~
9 ~~factor shall not be in effect for calculation purposes for the first two fiscal years~~
10 ~~following the change~~ compared to the credit completion factor the institution was
11 entitled to receive during the 2017-19 biennium, the state board of higher education
12 shall multiply the product determined under section 15-18.2-02 by a credit growth
13 factor of 1.0 for credits in excess of the factor the institution was entitled to receive
14 during the 2017-19 biennium. Any weighted credit-hours multiplied by a credit growth
15 factor under this section must have a weight of 1.0 under section 15-18.2-02. The
16 state board of higher education shall multiply the remaining weighted credits by the
17 credit completion factor the institution was entitled to receive during the 2017-19
18 biennium.

19 ~~4.3.~~ For purposes of this section, the number of credit-hours must be those determined by
20 the state board of higher education in accordance with section 15-18.2-01.

21 **SECTION 14. AMENDMENT.** Section 15-18.2-05 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **15-18.2-05. Base funding - Determination of state aid.**

- 24 1. Except as provided under ~~subsection 2, in order~~subsections 2 and 3, to determine the
25 state aid payment to which each institution under its control is entitled, the state board
26 of higher education shall multiply the product determined under section
27 ~~15-18.2-04~~15-18.2-03 by a base amount of:
- 28 a. ~~\$60.87~~\$61.86 in the case of North Dakota state university and the university of
29 North Dakota;
- 30 b. ~~\$90.98~~\$92.56 in the case of Dickinson state university, Mayville state university,
31 Minot state university, and Valley City state university; and

1 c. ~~\$97.06~~\$98.81 in the case of Bismarck state college, Dakota college at Bottineau,
2 Lake Region state college, North Dakota state college of science, and Williston
3 state college.

4 2. ~~An institution is entitled to an amount equal to seventy five percent of the product~~
5 ~~determined under subsection 1 for credits completed by students receiving a tuition~~
6 ~~waiver pursuant to section 54-12-35.~~For institutions under subdivision b of
7 subsection 1, the state board of higher education shall multiply the product determined
8 under section 15-18.2-03 for credits completed in instructional programs under
9 subdivision k of subsection 1 of section 15-18.2-02 by the base amount under
10 subdivision c of subsection 1.

11 3. For institutions under subdivision c of subsection 1, the state board of higher
12 education shall multiply the product determined under section 15-18.2-03 for upper
13 division credits completed in instructional programs under subdivisions a through j of
14 subsection 1 of section 15-18.2-02 by the base amount under subdivision b of
15 subsection 1.

16 **SECTION 15.** Section 15-18.2-06.1 of the North Dakota Century Code is created and
17 enacted as follows:

18 **15-18.2-06.1. Base funding - Minimum amount payable.**

19 Notwithstanding any calculations required by this chapter, during each biennium beginning
20 with the 2021-23 biennium, an institution may not receive less than ninety-six percent of the
21 state aid to which the institution was entitled under this chapter during the previous biennium.

22 **SECTION 16.** A new chapter to title 15 of the North Dakota Century Code is created and
23 enacted as follows:

24 **University system capital building fund - Creation - Continuing appropriation.**

25 There is created in the state treasury the university system capital building fund. The
26 university system capital building fund consists of moneys transferred to the fund and any
27 interest and earnings of the fund. The state board of higher education may provide for the fund
28 to be invested under the supervision of the state investment board. Moneys in the fund are
29 appropriated to the state board of higher education on a continuing basis for allocations to the
30 institutions under the control of the state board of higher education for capital projects as
31 directed by the legislative assembly and in accordance with this chapter. Any interest or

1 earnings of the fund must be allocated to the capital building fund pool within the university
2 system capital building fund.

3 **Capital building funds - Uses - Reports.**

4 Subject to tier II and tier III capital building fund matching requirements under this chapter,
5 each institution may use its allocation of funds from the university system capital building fund
6 for projects specifically authorized by the legislative assembly to use university system capital
7 building fund moneys. In addition, after an institution has matched and committed seventy-five
8 percent of the funding appropriated for the institution's tier I extraordinary repairs and subject to
9 state board of higher education approval and matching requirements under this chapter, each
10 institution may use its allocation of funds from the university system capital building fund for
11 extraordinary repairs and deferred maintenance projects that do not increase the overall square
12 footage of a building. The state board of higher education shall report biennially to the legislative
13 management and to the appropriations committees of the legislative assembly on the use of
14 funding in the university system capital building fund, the source of matching funds, and each
15 institution's five-year plan for capital construction spending.

16 **Tier II capital building funds - Matching requirements.**

17 The state board of higher education may allocate tier II capital building fund moneys to an
18 institution for a project only after the institution provides one dollar of matching funds from
19 operations or other sources for each one dollar from the university system capital building fund
20 for the project. An institution may not use tier I extraordinary repairs funding, tier III capital
21 building fund moneys, or state funding appropriated for a specific capital project as matching
22 funds under this section.

23 **Tier III capital building funds - Matching requirements.**

24 The state board of higher education may allocate tier III capital building fund moneys to an
25 institution only after the institution provides two dollars of matching funds from operations or
26 other sources for each one dollar from the university system capital building fund for the project.
27 An institution may not use tier I extraordinary repairs funding, tier II capital building fund
28 moneys, or state funding appropriated for a specific capital project as matching funds under this
29 section.

Capital building fund pool.

If the state board of higher education has not allocated capital building fund moneys to an institution by January first of the third biennium after the funding was appropriated or transferred to the fund, the board shall reallocate the funds to a pool within the university system capital building fund. Any institution under the control of the state board of higher education that has fully matched and committed its university system capital building fund allocation may apply for and be allocated funding from the capital building fund pool, subject to state board of higher education approval and tier III capital building fund matching requirements under this chapter.

SECTION 17. AMENDMENT. Section 54-44.1-11 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-11. Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective through July 31, ~~2021~~2023)

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

1. New construction projects.
2. Major repair or improvement projects.
3. Purchases of new equipment costing more than ten thousand dollars per unit if it was ordered during the first twelve months of the biennium in which the funds were appropriated.

1 4. The purchase of land by the state on a "contract for deed" purchase if the total
2 purchase price is within the authorized appropriation.

3 5. Purchases by the department of transportation of roadway maintenance equipment
4 costing more than ten thousand dollars per unit if the equipment was ordered during
5 the first twenty-one months of the biennium in which the funds were appropriated.

6 6. Authorized ongoing information technology projects.

7 **Office of management and budget to cancel unexpended appropriations - When they**
8 **may continue. (Effective after July 31, 2021-2023)** The office of management and budget,
9 thirty days after the close of each biennial period, shall cancel all unexpended appropriations or
10 balances of appropriations after the expiration of the biennial period during which they became
11 available under the law. Unexpended appropriations for the state historical society are not
12 subject to this section and the state historical society shall report on the amounts and uses of
13 funds carried over from one biennium to the appropriations committees of the next subsequent
14 legislative assembly. The chairmen of the appropriations committees of the senate and house of
15 representatives of the legislative assembly with the office of the budget may continue
16 appropriations or balances in force for not more than two years after the expiration of the
17 biennial period during which they became available upon recommendation of the director of the
18 budget for:

19 1. New construction projects.

20 2. Major repair or improvement projects.

21 3. Purchases of new equipment costing more than ten thousand dollars per unit if it was
22 ordered during the first twelve months of the biennium in which the funds were
23 appropriated.

24 4. The purchase of land by the state on a "contract for deed" purchase if the total
25 purchase price is within the authorized appropriation.

26 5. Purchases by the department of transportation of roadway maintenance equipment
27 costing more than ten thousand dollars per unit if the equipment was ordered during
28 the first twenty-one months of the biennium in which the funds were appropriated.

29 6. Authorized ongoing information technology projects.

30 **SECTION 18. AMENDMENT.** Section 2 of chapter 53 of the 2019 Session Laws is
31 amended and reenacted as follows:

SECTION 2. APPROPRIATION - CAPITAL PROJECTS - EXEMPTION.

1. Subject to the provisions of this section, the funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the following institutions for the identified capital projects, for the period beginning with the effective date of this Act, and ending June 30, 2019, as follows:

Bismarck state college Nursing Building	\$8,900,000
Dakota college at Bottineau dining hall and other projects	1,000,000
Lake Region state college precision agriculture project	1,000,000
North Dakota state university agriculture products development center project	20,000,000
North Dakota state university Dunbar Hall project	8,000,000
University of North Dakota Gamble Hall project	9,000,000
Valley City state university Communications and Fine Arts Building project	<u>2,000,000</u>
Total general fund	\$49,900,000

In accordance with section 54-44.1-11, any unaccepted funds from these appropriations may be continued into the biennium beginning July 1, 2019, and ending June 30, 2021.

2. The appropriation for the agriculture products development center project must be continued into the biennium beginning July 1, 2019, and ending June 30, 2021, ~~and is available only if North Dakota state university certifies to the industrial commission and the director of the office of management and budget that \$20,000,000 of local and other funds has been obtained for the project or if North Dakota state university receives approval for a change in project scope from the legislative assembly or budget section pursuant to section 48-01.2-25.~~
3. The appropriation for the Gamble Hall project must be continued into the biennium beginning July 1, 2019, and ending June 30, 2021, and is available only if the university of North Dakota certifies to the industrial commission and the director of the office of management and budget that \$55,000,000 of local and other funds has been obtained for the project or if the university of North Dakota

1 receives approval for a change in project scope from the legislative assembly or
2 budget section pursuant to section 48-01.2-25.

3 **SECTION 19. REPEAL.** Section 15-18.2-04 of the North Dakota Century Code is repealed.

4 **SECTION 20. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the
5 period beginning with the effective date of this Act, and ending June 30, 2023, each capital
6 project authorized by the state board of higher education must have adequate project
7 management oversight by either an institution official or a representative of an external entity.
8 An institution may seek assistance from the North Dakota university system office for project
9 management oversight of a capital project.

10 **SECTION 21. UNIVERSITY OF NORTH DAKOTA - TECHNOLOGY ACCELERATOR**
11 **BUILDING REFINANCING.** The state board of higher education, acting for and through the
12 university of North Dakota, may enter into a refinancing agreement with a private entity for the
13 technology accelerator building during the period beginning with the effective date of this Act
14 and ending June 30, 2023.

15 **SECTION 22. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT**
16 **REPORT.** Notwithstanding section 54-16-04, the office of management and budget shall
17 transfer appropriation authority from the operations to the capital assets line items within
18 subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher
19 education for the biennium beginning July 1, 2021, and ending June 30, 2023. The board shall
20 report any transfer of funds under this section to the legislative management.

21 **SECTION 23. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.**
22 Notwithstanding any other provisions of law, the state board of higher education may adjust full-
23 time equivalent positions as needed, subject to the availability of funds, for institutions and
24 entities under its control during the biennium beginning July 1, 2021, and ending June 30, 2023.
25 The North Dakota university system shall report any adjustments to the office of management
26 and budget as part of the submission of the 2023-25 biennium budget request.

27 **SECTION 24. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts
28 remaining from the \$49,900,000 appropriated from the general fund for capital projects at
29 institutions under the control of the state board of higher education in section 2 of chapter 53 of
30 the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from

1 the appropriations are available to the respective institutions to complete the projects during the
2 biennium beginning July 1, 2021, and ending June 30, 2023.

3 **SECTION 25. STATE BOARD OF HIGHER EDUCATION - STUDY OF THE HIGHER**
4 **EDUCATION FUNDING FORMULA - REPORT TO LEGISLATIVE MANAGEMENT.** During the
5 period beginning July 1, 2021, and ending June 30, 2022, the state board of higher education
6 shall study the higher education funding formula, including instructional program classification
7 factors. The state board of higher education shall provide a report to the legislative
8 management regarding any findings or recommended changes to the funding formula by
9 June 30, 2022.

10 **SECTION 26. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL**
11 **PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-seventh legislative
12 assembly that:

- 13 1. Veterinary medicine courses remain under the health sciences instructional program
14 classification within the higher education funding formula;
- 15 2. Computer and information sciences and support services courses be transferred to the
16 engineering instructional program classification within the higher education funding
17 formula; and
- 18 3. Lineworker; plumbing; powersports technology; heating, ventilating, air conditioning,
19 and refrigeration technology; diesel technology; mechanical systems; and machine
20 tooling courses be placed in an upper division under the career and technical
21 education instructional program classification within the higher education funding
22 formula.

23 **SECTION 27. EMERGENCY.** Sections 3, 4, 7, 8, 9, 10, 16, 18, 20, and 21 of this Act and
24 the capital assets line items in section 1 of this Act are declared to be an emergency measure.