

23.0232.01019

Title.

Fiscal No. 1

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division Committee
February 14, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1003

Page 1, line 2, after the first semicolon insert "to create and enact five new sections to chapter 15-10 and section 15-18.2-06.1 of the North Dakota Century Code, relating to a report on higher education trends, funding of severance agreements, academic program approval, disclosure of financial condition, and a minimum amount payable; to amend and reenact sections 15-10-38.1, 15-10-38.2, 15-10-38.3, subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-49, subsection 2 of section 15-10-49, sections 15-10-57 and 15-10-63, subdivision k of subsection 1 of section 15-18.2-02, subsection 1 of section 15-18.2-05, section 15-54.1-02, subsection 1 of section 15-62.4-03, subdivision c of subsection 2 of section 54-07-12, and section 54-44.1-11 of the North Dakota Century Code, relating to the skilled workforce student loan repayment program, the skilled workforce scholarship program, matching grants for the advancement of academics, the workforce development council, higher education capital projects, state aid for institutions of higher education, the university system capital building fund, student financial assistance grants, the digitization of documents relating to Theodore Roosevelt, and the cancellation of unexpended appropriations; to repeal sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code, relating to matching grants for legal education, the definition of the advancement of academics, and the workforce education advisory council; to provide for a transfer; to provide for a pilot program;"

Page 1, line 2, remove "and"

Page 1, line 2, after "exemption" insert "; to provide legislative intent; and to declare an emergency"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 30

Page 7, replace lines 1 and 2 with:

"NORTH DAKOTA UNIVERSITY SYSTEM

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Capital assets - bond payments	\$13,385,264	(\$2,187,368)	\$11,197,896
Competitive research programs	5,685,750	0	5,685,750
System governance	8,605,570	2,703,085	11,308,655
Core technology services	62,962,817	7,863,991	70,826,808
Student financial assistance grants	23,917,306	12,000,000	35,917,306
Professional student exchange program	3,699,342	0	3,699,342
Academic and CTE scholarships	16,216,749	1,000,000	17,216,749

Scholars program	1,807,115	0	1,807,115
Native American scholarship	555,323	444,677	1,000,000
Tribally controlled community college grants	1,000,000	1,000,000	2,000,000
Education incentive programs	260,000	0	260,000
Student mental health	284,400	0	284,400
Veterans' assistance grants	277,875	177,000	454,875
Shared campus services	800,000	0	800,000
Nursing education consortium	1,356,000	0	1,356,000
NASA EPSCoR	342,000	0	342,000
Education challenge fund	0	36,000,000	36,000,000
Workforce education grants	0	10,000,000	10,000,000
Dual-credit tuition scholarship	1,500,000	0	1,500,000
Dakota digital academy	0	450,000	450,000
Support for single parents	0	4,500,000	4,500,000
Passthrough grants	0	20,100,000	20,100,000
Total all funds	\$142,655,511	\$94,051,385	\$236,706,896
Less estimated income	<u>25,757,035</u>	<u>872,198</u>	<u>26,629,233</u>
Total general fund	\$116,898,476	\$93,179,187	\$210,077,663
Full-time equivalent positions	158.83	4.00	162.83

Subdivision 2.

BISMARCK STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$100,571,387	\$6,815,663	\$107,387,050
Capital assets	1,922,561	31,500,000	33,422,561
Behavioral health initiative	0	204,000	204,000
Total all funds	\$102,493,948	\$38,519,663	\$141,013,611
Less estimated income	<u>70,409,893</u>	<u>34,400,734</u>	<u>104,810,627</u>
Total general fund	\$32,084,055	\$4,118,929	\$36,202,984
Full-time equivalent positions	332.90	2.43	335.33

Subdivision 3.

LAKE REGION STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$39,150,913	\$1,913,818	\$41,064,731
Capital assets	362,667	600,000	962,667
Behavioral health initiative	0	109,000	109,000
Total all funds	\$39,513,580	\$2,622,818	\$42,136,398
Less estimated income	<u>25,271,428</u>	<u>1,655,128</u>	<u>26,926,556</u>
Total general fund	\$14,242,152	\$967,690	\$15,209,842
Full-time equivalent positions	115.76	4.83	120.59

Subdivision 4.

WILLISTON STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$34,044,304	\$2,619,856	\$36,664,160
Capital assets	1,261,968	43,913,939	45,175,907
Behavioral health initiative	0	169,140	169,140
Total all funds	\$35,306,272	\$46,702,935	\$82,009,207
Less estimated income	24,019,535	44,830,555	68,850,090
Total general fund	\$11,286,737	\$1,872,380	\$13,159,117
Full-time equivalent positions	101.29	1.54	102.83

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$902,173,330	\$52,555,093	\$954,728,423
Capital assets	4,411,566	190,000,000	194,411,566
National security initiative	0	45,000,000	45,000,000
Research network	0	3,201,100	3,201,100
Behavioral health initiative	0	660,000	660,000
Total all funds	\$906,584,896	\$291,416,193	\$1,198,001,089
Less estimated income	755,657,771	218,613,966	974,271,737
Total general fund	\$150,927,125	\$72,802,227	\$223,729,352
Full-time equivalent positions	2,059.98	0.58	2,060.56

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$756,049,321	\$40,359,558	\$796,408,879
Capital assets	7,799,104	107,000,000	114,799,104
Workforce education	0	4,800,000	4,800,000
Research network	0	3,201,100	3,201,100
Behavioral health initiative	0	1,100,000	1,100,000
Total all funds	\$763,848,425	\$156,460,658	\$920,309,083
Less estimated income	625,417,100	130,501,035	755,918,135
Total general fund	\$138,431,325	\$25,959,623	\$164,390,948
Full-time equivalent positions	1,829.43	38.07	1,867.50

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$95,547,465	\$4,650,059	\$100,197,524
Capital assets	1,012,379	19,975,000	20,987,379
Behavioral health initiative	0	186,750	186,750
Total all funds	\$96,559,844	\$24,811,809	\$121,371,653
Less estimated income	60,845,052	22,212,951	83,058,003

Total general fund	\$35,714,792	\$2,598,858	\$38,313,650
Full-time equivalent positions	311.61	2.34	313.95

Subdivision 8.

DICKINSON STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$50,826,060	\$4,755,696	\$55,581,756
Capital assets	409,078	18,000,000	18,409,078
Behavioral health initiative	0	327,000	327,000
Total all funds	\$51,235,138	\$23,082,696	\$74,317,834
Less estimated income	30,992,408	19,421,619	50,414,027
Total general fund	\$20,242,730	\$3,661,077	\$23,903,807
Full-time equivalent positions	175.50	2.50	178.00

Subdivision 9.

MAYVILLE STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$50,603,276	\$4,577,144	\$55,180,420
Capital assets	358,992	0	358,992
Behavioral health initiative	0	308,734	308,734
Total all funds	\$50,962,268	\$4,885,878	\$55,848,146
Less estimated income	32,282,440	1,763,104	34,045,544
Total general fund	\$18,679,828	\$3,122,774	\$21,802,602
Full-time equivalent positions	230.35	(3.43)	226.92

Subdivision 10.

MINOT STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$104,154,777	\$9,659,724	\$113,814,501
Capital assets	1,099,620	11,865,000	12,964,620
Behavioral health initiative	0	170,000	170,000
Total all funds	\$105,254,397	\$21,694,724	\$126,949,121
Less estimated income	64,047,767	15,504,561	79,552,328
Total general fund	\$41,206,630	\$6,190,163	\$47,396,793
Full-time equivalent positions	403.04	20.59	423.63

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$50,083,400	\$4,626,767	\$54,710,167
Capital assets	455,823	35,500,000	35,955,823
Behavioral health initiative	0	236,000	236,000
Total all funds	\$50,539,223	\$40,362,767	\$90,901,990

Less estimated income	<u>26,377,846</u>	<u>36,936,844</u>	<u>63,314,690</u>
Total general fund	\$24,161,377	\$3,425,923	\$27,587,300
Full-time equivalent positions	202.77	9.17	211.94

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$23,640,055	\$2,023,135	\$25,663,190
Capital assets	114,007	5,300,000	5,414,007
Behavioral health initiative	0	170,000	170,000
Total all funds	\$23,754,062	\$7,493,135	\$31,247,197
Less estimated income	<u>14,216,200</u>	<u>5,839,622</u>	<u>20,055,822</u>
Total general fund	\$9,537,862	\$1,653,513	\$11,191,375
Full-time equivalent positions	91.86	(7.86)	84.00

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$218,253,058	\$17,796,430	\$236,049,488
Healthcare workforce initiative	<u>10,676,150</u>	0	<u>10,676,150</u>
Total all funds	\$228,929,208	\$17,796,430	\$246,725,638
Less estimated income	<u>160,806,249</u>	<u>5,782,718</u>	<u>166,588,967</u>
Total general fund	\$68,122,959	\$12,013,712	\$80,136,671
Full-time equivalent positions	492.67	(3.84)	488.83

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$15,343,065	\$9,252,937	\$24,596,002
Capital assets	<u>118,728</u>	0	<u>118,728</u>
Total all funds	\$15,461,793	\$9,252,937	\$24,714,730
Less estimated income	<u>10,669,315</u>	<u>8,469,894</u>	<u>19,139,209</u>
Total general fund	\$4,792,478	\$783,043	\$5,575,521
Full-time equivalent positions	28.00	1.00	29.00

Subdivision 15.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$686,328,526	\$232,349,099	\$918,677,625
Grand total special funds	<u>1,926,770,039</u>	<u>546,804,929</u>	<u>2,473,574,968</u>
Grand total all funds	\$2,613,098,565	\$779,154,028	\$3,392,252,593"

Page 7, line 3, after "**FUNDING**" insert "- **EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 7, line 4, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 7, replace line 6 with:

"Capital projects - strategic investment and improvements fund	\$0	\$293,290,000
Capital projects - other funds	4,363,000	170,363,939
University of North Dakota national security initiative	0	45,000,000
North Dakota state university workforce education	0	4,800,000"

Page 7, replace lines 22 through 26 with:

"Higher education challenge grants	11,150,000	36,000,000
Dakota digital academy	475,000	450,000
Support for single parents	0	4,500,000
Workforce education grants	0	10,000,000
Behavioral health initiative	0	3,640,624
Financial aid software	0	1,554,354
Passthrough grants	0	<u>20,100,000</u>
Total all funds	\$207,876,121	\$589,698,917
Total other funds	<u>190,851,121</u>	<u>463,653,939</u>
Total general fund	\$17,025,000	\$126,044,978

The 2023-25 one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The state board of higher education shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 7, line 28, after "**APPROPRIATION**" insert "- **EXEMPTION**"

Page 8, line 5, after the period insert "Notwithstanding section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts appropriated in sections 1 and 4 of this Act may spend those funds for the capital project.

SECTION 4. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - MAYVILLE STATE UNIVERSITY - OLD MAIN RENOVATION - ONE-TIME FUNDING. There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$49,970,100, or so much of the sum as may be necessary, to Mayville state university for the purpose of renovating old main, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item."

Page 8, line 8, after the second "institution" insert ", excluding the university of North Dakota and North Dakota state university,"

Page 8, line 8, replace "two dollars" with "one dollar"

Page 8, line 10, after the period insert "The university of North Dakota and North Dakota state university shall provide two dollars of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project.

SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The grand total special funds line item in subdivision 15 of section 1 of this Act includes \$293,290,000 from the strategic investment and improvements fund for capital projects as follows:

Bismarck state college multipurpose academic and athletic center	\$29,900,000
Williston state college medical healthcare building	34,750,000
University of North Dakota science, engineering, and national security corridor	57,400,000
University of North Dakota science, technology, engineering, and math building	52,000,000
North Dakota state university center for engineering and computational sciences	59,000,000
North Dakota state college of science agriculture, automation, and autonomous systems	18,975,000
Dickinson state university agriculture and technical education building	17,100,000
Minot state university Dakota hall demolition	765,000
Minot state university academic building	7,600,000
Valley City state university McCarthy hall renovation	11,500,000
Dakota college at Bottineau old main renovation	<u>4,300,000</u>
Total strategic investment and improvements fund	\$293,290,000

SECTION 7. NORTH DAKOTA STATE UNIVERSITY - WORKFORCE EDUCATION - REPORT. The appropriation in subdivision 6 of section 1 of this Act includes \$4,800,000 from the general fund for North Dakota state university for the purpose of creating or expanding programs and enrollment initiatives, as identified by the North Dakota state university president, to address the workforce needs of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. This funding may only be used to create or expand programs and initiatives and may not be used for programs that have been closed or reduced by North Dakota state university since July 1, 2021. North Dakota state university shall report to the legislative management during the 2023-24 interim on the use of the funding identified in this section.

SECTION 8. STUDENT SUPPORT FOR SINGLE MOTHERS - PILOT PROGRAM - REPORT.

1. The appropriation in subdivision 1 of section 1 of this Act includes the sum of \$4,500,000 from the general fund for the purpose of supporting single mothers, for the biennium beginning July 1, 2023, and ending June 30, 2025.
2. The state board of higher education may provide up to \$250,000 to each institution under its control, each tribally controlled community college in this state, the university of Jamestown, and the university of Mary, to provide support to students who are pregnant or single mothers with a child or children under four years of age.
3. An eligible institution in subsection 2 must submit an application to the state board of higher education in order to receive funding under this section. The application must include the institution's plan identifying how the funding would benefit students enrolled at the institution, the estimated number of students impacted, and the estimated cost.
4. A student enrolled at an eligible institution in subsection 2 is eligible for support under this section if the student is residing in this state and is:

- a. An unmarried pregnant individual who is experiencing an unintended pregnancy;
 - b. An unmarried mother who experienced an unintended birth while attending the institution; or
 - c. An unmarried mother with a child or children under four years of age.
5. Funding awarded under this section may be used for on-campus room and board and the costs of providing on-campus day care for the children of students eligible pursuant to subsection 4.
6. If any available dollars have not been granted to an institution by the board before December 31, 2024, the board may allow institutions in subsection 2 to submit applications for any unused funding for the purposes of this section.
7. The state board of higher education may adopt policies and procedures as necessary to enact this section.
8. The state board of higher education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the results of this program, including the number of students assisted at each institution.

SECTION 9. TRANSFER - NORTH DAKOTA UNIVERSITY SYSTEM OFFICE - NORTH DAKOTA STATE UNIVERSITY. Of the funding appropriated in subdivision 1 of section 1 of chapter 31 of the 2021 Session Laws for the biennium beginning July 1, 2021, and ending June 30, 2023, that is continued pursuant to section 54-44.1-11, the state board of higher education shall transfer \$367,000 to the operations line item in subdivision 6 of section 1 of this Act by August 1, 2023. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of this transfer.

SECTION 10. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS. The industrial commission shall transfer to the North Dakota university system office a total of \$1,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. The estimated income line item in subdivision 1 of section 1 includes \$1,500,000 for the North Dakota university system office for dual-credit tuition scholarships.

SECTION 11. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND. The industrial commission shall transfer the sum of \$7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce student loan repayment program fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 12. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED WORKFORCE SCHOLARSHIP FUND. The industrial commission shall transfer the sum of \$7,500,000 from the current earnings and accumulated undivided profits of the Bank of North Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND. The office of management and budget shall transfer \$29,000,000 from the strategic investment and improvements fund to the university system capital building fund during the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education. Funding 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>
Bismarck state college	\$851,386	\$500,000	\$1,351,386
Lake Region state college	354,750	500,000	854,750
Williston state college	275,894	500,000	775,894
University of North Dakota	8,723,602	2,250,000	10,973,602
North Dakota state university	5,799,192	2,250,000	8,049,192
North Dakota state college of science	1,001,390	500,000	1,501,390
Dickinson state university	537,724	500,000	1,037,724
Mayville state university	480,058	500,000	980,058
Minot state university	1,145,602	500,000	1,645,602
Valley City state university	618,274	500,000	1,118,274
Dakota college at Bottineau	<u>212,128</u>	<u>500,000</u>	<u>712,128</u>
Total	\$20,000,000	\$9,000,000	\$29,000,000

SECTION 14. CAPITAL BUILDING FUNDS - USES. The institutions listed may use funding from the respective institution's university system capital building fund allocation for the following projects authorized by the sixty-eighth legislative assembly:

Bismarck state college multipurpose academic and athletic center	\$31,500,000
Lake region state college wind turbine gearbox replacement	600,000
Williston state college medical healthcare building	36,600,000
University of North Dakota science, engineering, and national security corridor	82,000,000
University of North Dakota science, technology, engineering, and math building	75,000,000
North Dakota state university center for engineering and computational sciences	84,000,000
North Dakota state college of science agriculture, automation, and autonomous systems	19,975,000
Dickinson state university agriculture and technical education building	18,000,000
Minot state university academic building	8,000,000
Valley City state university McCarthy hall renovation	13,500,000
Dakota college at Bottineau old main renovation	<u>5,300,000</u>
Total	\$374,475,000

SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE INTENT.

1. The state board of higher education may not include requests for any state funds for capital projects in its budget request submitted to the sixty-ninth legislative assembly. The state board of higher education may request other funds appropriation authority from the sixty-ninth legislative assembly for projects funded from local funds, gifts, grants, donations, the institution's allocation in the university system capital building fund, or revenue bonds.
2. It is the intent of the sixty-eighth legislative assembly that this Act includes all capital projects to be appropriated funding from the state, excluding projects that receive funding solely from local funds, gifts, grants,

donations, the institution's allocation in the university system capital building fund, or revenue bonds, during the period beginning July 1, 2023, and ending June 30, 2027.

3. An institution must have possession of local matching funds allocated to a project prior to expending any funding from the strategic investment and improvements fund for the project.
4. If an institution is unable to provide the appropriated amount of matching funds for a capital project provided for in this Act, the institution may only spend a proportional amount of funding from the strategic investment and improvements fund for the project. If an institution is unable to provide necessary matching funds by June 30, 2027, to complete the project in whole or in part, the appropriation from the strategic investment and improvements fund must be canceled.
5. Any inflationary or other costs associated with previously approved projects must be paid from the institution's local funds or the institution's allocation in the university system capital building fund.

SECTION 16. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.

During the biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by the state board of higher education must have adequate project management oversight by either an institution official or a representative of an external entity. An institution may seek assistance from the university system office for project management oversight of a capital project.

SECTION 17. UNIVERSITY OF NORTH DAKOTA - SCHOOL OF MEDICINE AND HEALTH SCIENCES - OPERATIONS. The operations line items in subdivision 5 and 13 of section 1 of this Act include a funding allocation from the higher education per student credit-hour funding formula attributable to inflation during the biennium beginning July 1, 2023, and ending June 30, 2025. Based on the recommendation of the commissioner of higher education a portion of the allocation may be transferred by the state board of higher education between the university of North Dakota school of medicine and health sciences and the university of North Dakota.

SECTION 18. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

State commissioner of higher education - Higher education trends - Report to budget section.

The state commissioner of higher education shall provide an annual report to the budget section regarding trends in higher education, including state and regional student enrollment, North Dakota university system institution reserves, state and regional tuition rates, state and regional student financial assistance, and the North Dakota university system's response to the trends and changes, including new or expanded educational programs, closed programs, and future budget requests.

SECTION 19. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Severance agreements - Funding - Emergency commission and budget section approval.

The cost of any severance agreement approved by the state board of higher education must be paid from the North Dakota university system office budget. The North Dakota university system office may not assess institutions under the control of the state board of higher education to recover the cost of any severance agreement. Emergency commission and budget section approval is required before the board may expend any funds pursuant to this section. When considering the request, the budget section shall consider the amount obligated to the individual named in the severance agreement pursuant to the individual's employment contract with the board or institution under the control of the board, the cost of the severance agreement, and the justification for the severance agreement provided by the board.

SECTION 20. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Academic program approval.

The state board of higher education shall approve or deny a request from an institution under its control for a new or expanded academic program within thirty days of the institution submitting its request for the program to the commissioner of higher education.

SECTION 21. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Disclosure of financial condition.

The state board of higher education shall provide a disclosure of the financial condition of an institution to the qualified applicants designated as finalists pursuant to section 44-04-18.27 for the position of president of an institution. The disclosure of financial condition must identify the institution's reserves, recent audit findings, anticipated future funding changes pursuant to chapter 15-18.2, and the institution's composite financial index ratio. The state board of higher education may require the qualified applicants to sign a nondisclosure agreement prior to receiving the disclosure of financial condition.

SECTION 22. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Campus policies and procedures.

The president of an institution under the control of the state board of higher education may adopt policies, procedures, and directives for the institution, with input but no authoritative control from faculty and others through shared governance. The commissioner of higher education and the state board of higher education may overturn or amend the president's policies, procedures, and directives.

SECTION 23. AMENDMENT. Section 15-10-38.1 of the North Dakota Century Code is amended and reenacted as follows:

15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce student loan repayment program fund - Continuing appropriation - Report. (~~Repealed effective July 1, 2023~~)

1. There is created in the state treasury the skilled workforce student loan repayment program fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and loan repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of distributing student loan repayment grants directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The state board of higher education may transfer money between this fund and the skilled workforce scholarship fund established in section 15-10-38.2.
2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce student loan repayment program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.
3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. Graduates of degree or certificate programs from institutions or entities in any state may apply for the skilled workforce student loan repayment program. To be eligible to receive student loan repayment grants under the program, the applicant:
 - a. Must have successfully completed an educational program from an institution of higher education;
 - b. Must have a student loan with the Bank of North Dakota or other participating lender;
 - c. Following completion of an educational program, must reside and work in this state in an eligible high-demand or emerging occupation; and
 - d. Must have met and shall continue to meet any requirements established in applicable state board of higher education procedures.
5. The state board of higher education shall adopt procedures to ensure compliance with residency and occupation requirements after completion of the educational program.
6. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or

one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.

7. If an individual is receiving loan forgiveness under any other state program, the individual may not receive a student loan repayment grant under this section during the same application year. ~~An individual who received a skilled workforce scholarship under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~
8. An individual may receive a combined total of no more than seventeen thousand dollars under this section and the skilled workforce scholarship program under section 15-10-38.2.
9. ~~The skilled workforce student loan repayment program must be a joint public and private effort.~~ The state board of higher education shall provide one dollar of funding for each one dollar of funding funds raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.
10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:
 - a. The eligible high-demand professional and technical skills and emerging occupations;
 - b. The number of applicants, eligible applicants, and applicants receiving awards;
 - c. The amount of ~~private funding~~ matching funds raised; and
 - d. The average and total amounts awarded under the program.

SECTION 24. AMENDMENT. Section 15-10-38.2 of the North Dakota Century Code is amended and reenacted as follows:

15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship fund - Continuing appropriation - Report. (~~Repealed effective July 1, 2023~~)

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, tribally controlled community colleges, state-approved educator training programs, and North Dakota institutions approved to operate by the North Dakota board of career and technical education. The state board of higher education may transfer money

between this fund and the skilled workforce student loan repayment program fund established in section 15-10-38.1.

2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.
3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program is a program resulting in attainment of an associate's degree or lower credential ~~upon successful completion or a~~ program that may be completed within four semesters or, six quarters, or the final two years of a baccalaureate program. A qualifying educational program also must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.
5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.
6. To be eligible for a scholarship and payment under this section, a student must be enrolled full time in an eligible program and have at least a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.
7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.
8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain either a 2.5 cumulative grade point average or academic progress according to program requirements while enrolled, withdraws voluntarily or

involuntarily before the completion of the program for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.

9. The state board of higher education, in conjunction with the Bank of North Dakota, may allow an individual who received payment under this section to delay or cancel repayment under this section due to financial difficulty, military service, death, or total disability.
10. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.
11. ~~The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state. The state board of higher education shall provide one dollar of funding for each one dollar raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce scholarship fund.~~
12. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:
 - a. The eligible high-demand professional and technical skills and emerging occupations;
 - b. The qualifying educational programs;
 - c. The number of applicants, eligible applicants, and applicants receiving awards;
 - d. The amount of ~~private funding~~ matching funds raised; and
 - e. The average and total amounts awarded under the program.

SECTION 25. AMENDMENT. Section 15-10-38.3 of the North Dakota Century Code is amended and reenacted as follows:

15-10-38.3. Scholarship and loan forgiveness administrative costs - Continuing appropriation. (Effective through July 31, 2023)

The state board of higher education shall retain up to one and one-half percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for promotion and administration of the programs under those sections.

~~**Scholarship and loan forgiveness administrative costs - Continuing appropriation. (Effective after July 31, 2023)**~~ The state board of higher education shall retain up to one-half of one percent of any funds appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section 15-10-38.2. The retained funds must be used for administration of the programs under those sections.

SECTION 26. AMENDMENT. Subdivision c of subsection 1 of section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

- c. The board may award up to ~~one million seven hundred thousand~~five million dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~one million five hundred thousand~~four million dollars in matching grants for projects ~~ateach~~ateach to the university of North Dakota school of medicine and health sciences and the North Dakota state university main research center. Of the amount available to the university of North Dakota, two hundred fifty thousand dollars must be awarded for projects dedicated to projects at the school of law.

SECTION 27. AMENDMENT. Subdivision c of subsection 1 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

- c. The board may award up to:
 - (1) ~~Nine hundred fifty thousand~~Three million dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;
 - (2) ~~Seven hundred thousand~~Two million dollars each to Dickinson state university, Mayville state university, and Valley City state university; and
 - (3) ~~Three hundred fifty thousand~~One million dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college.

SECTION 28. AMENDMENT. Subsection 2 of section 15-10-49 of the North Dakota Century Code is amended and reenacted as follows:

- 2.
 - a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, any institution listed in subsection 1 may apply for an additional matching grant.
 - b. An application submitted under this subsection must meet the same criteria as an original application.
 - c. The board shall prioritize available dollars allocated in paragraph 1 of subdivision c of subsection 1 to applicants in paragraph 1 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 2 of subdivision c of subsection 1 to applicants in paragraph 2 of subdivision c of subsection 1. The board shall prioritize available dollars allocated in paragraph 3 of subdivision c of subsection 1 to applicants in paragraph 3 of subdivision c of subsection 1.
 - d. After considering applications pursuant to subdivision c, the board shall consider each application submitted under this subsection in chronological order.
 - d.e. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

SECTION 29. AMENDMENT. Section 15-10-57 of the North Dakota Century Code is amended and reenacted as follows:

15-10-57. Unified workforce, vocational, and technical education program system.

The state board of higher education shall establish and maintain a unified system to offer workforce training, vocational education, and technical education programs at institutions under its control. The board shall periodically review programs offered by institutions under its control and revise program offerings based on the workforce needs of the state identified by the workforce education advisory development council. The board shall develop administrative arrangements that make possible the efficient use of facilities and staff. The board shall limit administrative costs by eliminating duplicative administrative positions.

SECTION 30. AMENDMENT. Section 15-10-63 of the North Dakota Century Code is amended and reenacted as follows:

15-10-63. Capital projects.

1. The university of North Dakota and North Dakota state university shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least thirty percent of the total estimated cost of a capital project request submitted to the legislative assembly.
2. Bismarck state college, lake region state college, Williston state college, the North Dakota state college of science, Dickinson state university, Mayville state university, Minot state university, Valley City state university, and Dakota college at Bottineau shall identify other funds from gifts, grants, donations, the university system capital building fund, or other local funds for at least five percent of the total estimated cost of a capital project request submitted to the legislative assembly.
3. An institution under the control of the state board of higher education may undertake a facility renovation project only if the project will reduce the deferred maintenance amount of the facility by no less than seventy five percent of the total cost of the renovation. The institution shall maintain documentation that demonstrates the cost and scope of the deferred maintenance reduction that results directly from the renovation. This subsection does not apply to projects undertaken solely to correct building code deficiencies or to installations of infrastructure determined by the board to be essential to the mission of the institution.
- 2-4. Facility construction and renovation projects undertaken by an institution under the control of the state board of higher education must conform to campus master plan and space utilization requirements approved by the state board of higher education.

SECTION 31. AMENDMENT. Subdivision k of subsection 1 of section 15-18.2-02 of the North Dakota Century Code is amended and reenacted as follows:

- k. The factorsfactor for credits completed in career and technical education are:

- (1) ~~3.0 for lower division credits; and~~
- (2) ~~5.0 for upper division credits~~ is 5.0.

SECTION 32. AMENDMENT. Subsection 1 of section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided under subsections 2 and 3, 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 15-18.2-03 by a base amount of:
 - a. ~~\$61.81~~\$72.39 in the case of North Dakota state university and the university of North Dakota;
 - b. ~~\$92.60~~\$102.78 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and
 - c. ~~\$98.84~~\$109.30 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.

SECTION 33. Section 15-18.2-06.1 of the North Dakota Century Code is created and enacted as follows:

Base funding - minimum amount payable.

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

SECTION 34. AMENDMENT. Section 15-54.1-02 of the North Dakota Century Code is amended and reenacted as follows:

15-54.1-02. Capital building funds - Uses - Reports.

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

SECTION 35. AMENDMENT. Subsection 1 of section 15-62.4-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state board of higher education shall provide to each eligible student a financial assistance grant in an amount not exceeding:

- a. One thousand ~~one hundred~~six hundred fifty dollars per semester; or
- b. ~~Seven hundred thirty-three~~One thousand one hundred dollars per quarter.

SECTION 36. AMENDMENT. Subdivision c of subsection 2 of section 54-07-12 of the North Dakota Century Code is amended and reenacted as follows:

- c. The private entity agrees to donate ten million dollars from the one hundred million dollars identified in subsection 1 to a higher education institution foundation in North Dakota for the purpose of ~~creating an endowment to digitize~~digitizing documents relating to Theodore Roosevelt and for the creation of a Theodore Roosevelt conservation scholars program and related academic mission at a North Dakota higher education institution in collaboration with the private entity; and

SECTION 37. 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, 20232025)

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.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, 2023~~2025~~) 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. 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.
4. The purchase of land by the state on a "contract for deed" purchase if the total purchase price is within the authorized appropriation.
5. Purchases by the department of transportation of roadway maintenance equipment costing more than ten thousand dollars per unit if the equipment was ordered during the first twenty-one months of the biennium in which the funds were appropriated.
6. Authorized ongoing information technology projects.

SECTION 38. REPEAL. Sections 15-10-48.1, 15-10-53, and 15-10-58 of the North Dakota Century Code are repealed."

Page 8, after line 22, insert:

"SECTION 41. EXEMPTION - CAPITAL BUILDING FUND - LAKE REGION STATE COLLEGE - ESTIMATED INCOME. The estimated income line item in subdivision 3 of section 1 of this Act includes \$600,000 from the Lake Region state college allocation in the university system capital building fund. This amount is for the replacement of the wind turbine gear box and is not subject to matching requirements under chapter 15-54.1.

SECTION 42. EXEMPTION - PROJECT AUTHORIZATIONS. Any unexpended amounts remaining from the \$49,900,000 appropriated from the general fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 53 of the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to the respective institutions to complete the projects during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 43. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND. The amounts appropriated from federal funds derived from the state fiscal recovery fund to the state board of higher education and institutions under the control of the

state board of higher education in section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and programs are available for the projects and programs during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 44. TUITION RATE INCREASE LIMITATIONS.

1. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.
2. Except as provided in this section, notwithstanding any other provision of law, the state board of higher education may not increase tuition and fee rates for resident students attending institutions of higher education under its control during the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.
3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2023-24 academic year as compared to the tuition rate in effect during the 2023 spring semester.
4. Tuition rates charged for high-cost undergraduate differentiated tuition programs and for graduate level programs, including programs offered through the university of North Dakota school of medicine and health sciences, the university of North Dakota school of law, or the North Dakota state university school of pharmacy, may be increased by up to one percent for the 2024-25 academic year as compared to the tuition rate in effect during the 2024 spring semester.
5. This section does not apply to tuition rates for nonresident students attending institutions of higher education under the control of the state board of higher education. For purposes of this section, the residency of students for tuition purposes must be determined under section 15-10-19.1.
6. This section does not apply to tuition rates determined under tuition reciprocity agreements entered into by the state board of higher education with other states or state education compacts.
7. For purposes of this section, an institution must calculate a resident tuition rate increase based on the tuition rate paid by an average full-time resident student.

SECTION 45. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL PROGRAM CLASSIFICATION FACTORS. It is the intent of the sixty-eighth legislative assembly that dental hygienist courses be transferred to the

career and technical education instructional program classification within the higher education funding formula.

SECTION 46. EMERGENCY. Section 35 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1003 - Summary of House Action

	Base Budget	House Changes	House Version
University System Office			
Total all funds	\$142,655,511	\$94,051,385	\$236,706,896
Less estimated income	25,757,035	872,198	26,629,233
General fund	\$116,898,476	\$93,179,187	\$210,077,663
FTE	158.83	4.00	162.83
Bismarck State College			
Total all funds	\$102,493,948	\$38,519,663	\$141,013,611
Less estimated income	70,409,893	34,400,734	104,810,627
General fund	\$32,084,055	\$4,118,929	\$36,202,984
FTE	332.90	2.43	335.33
Lake Region State College			
Total all funds	\$39,513,580	\$2,622,818	\$42,136,398
Less estimated income	25,271,428	1,655,128	26,926,556
General fund	\$14,242,152	\$967,690	\$15,209,842
FTE	115.76	4.83	120.59
Williston State College			
Total all funds	\$35,306,272	\$46,702,935	\$82,009,207
Less estimated income	24,019,535	44,830,555	68,850,090
General fund	\$11,286,737	\$1,872,380	\$13,159,117
FTE	101.29	1.54	102.83
University of North Dakota			
Total all funds	\$906,584,896	\$291,416,193	\$1,198,001,089
Less estimated income	755,657,771	218,613,966	974,271,737
General fund	\$150,927,125	\$72,802,227	\$223,729,352
FTE	2,059.98	0.58	2,060.56
UND Medical Center			
Total all funds	\$228,929,208	\$17,796,430	\$246,725,638
Less estimated income	160,806,249	5,782,718	166,588,967
General fund	\$68,122,959	\$12,013,712	\$80,136,671
FTE	492.67	(3.84)	488.83
North Dakota State University			
Total all funds	\$763,848,425	\$156,460,658	\$920,309,083
Less estimated income	625,417,100	130,501,035	755,918,135
General fund	\$138,431,325	\$25,959,623	\$164,390,948
FTE	1,829.43	38.07	1,867.50
State College of Science			
Total all funds	\$96,559,844	\$24,811,809	\$121,371,653
Less estimated income	60,845,052	22,212,951	83,058,003
General fund	\$35,714,792	\$2,598,858	\$38,313,650
FTE	311.61	2.34	313.95

Dickinson State University			
Total all funds	\$51,235,138	\$23,082,696	\$74,317,834
Less estimated income	30,992,408	19,421,619	50,414,027
General fund	<u>\$20,242,730</u>	<u>\$3,661,077</u>	<u>\$23,903,807</u>
FTE	175.50	2.50	178.00
Mayville State University			
Total all funds	\$50,962,268	\$54,855,978	\$105,818,246
Less estimated income	32,282,440	51,733,204	84,015,644
General fund	<u>\$18,679,828</u>	<u>\$3,122,774</u>	<u>\$21,802,602</u>
FTE	230.35	(3.43)	226.92
Minot State University			
Total all funds	\$105,254,397	\$21,694,724	\$126,949,121
Less estimated income	64,047,767	15,504,561	79,552,328
General fund	<u>\$41,206,630</u>	<u>\$6,190,163</u>	<u>\$47,396,793</u>
FTE	403.04	20.59	423.63
Valley City State University			
Total all funds	\$50,539,223	\$40,362,767	\$90,901,990
Less estimated income	26,377,846	36,936,844	63,314,690
General fund	<u>\$24,161,377</u>	<u>\$3,425,923</u>	<u>\$27,587,300</u>
FTE	202.77	9.17	211.94
Dakota College at Bottineau			
Total all funds	\$23,754,062	\$7,493,135	\$31,247,197
Less estimated income	14,216,200	5,839,622	20,055,822
General fund	<u>\$9,537,862</u>	<u>\$1,653,513</u>	<u>\$11,191,375</u>
FTE	91.86	(7.86)	84.00
Forest Service			
Total all funds	\$15,461,793	\$9,252,937	\$24,714,730
Less estimated income	10,669,315	8,469,894	19,139,209
General fund	<u>\$4,792,478</u>	<u>\$783,043</u>	<u>\$5,575,521</u>
FTE	28.00	1.00	29.00
Bill total			
Total all funds	\$2,613,098,565	\$829,124,128	\$3,442,222,693
Less estimated income	1,926,770,039	596,775,029	2,523,545,068
General fund	<u>\$686,328,526</u>	<u>\$232,349,099</u>	<u>\$918,677,625</u>
FTE	6,533.99	71.92	6,605.91

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Base Budget	House Changes	House Version
University System Office	\$116,898,476	\$93,179,187	\$210,077,663
Bismarck State College	32,084,055	4,118,929	36,202,984
Lake Region State College	14,242,152	967,690	15,209,842
Williston State College	11,286,737	1,872,380	13,159,117
University of North Dakota	150,927,125	72,802,227	223,729,352
UND Medical Center	68,122,959	12,013,712	80,136,671
North Dakota State University	138,431,325	25,959,623	164,390,948
State College of Science	35,714,792	2,598,858	38,313,650
Dickinson State University	20,242,730	3,661,077	23,903,807
Mayville State University	18,679,828	3,122,774	21,802,602
Minot State University	41,206,630	6,190,163	47,396,793
Valley City State University	24,161,377	3,425,923	27,587,300
Dakota College at Bottineau	9,537,862	1,653,513	11,191,375
Forest Service	4,792,478	783,043	5,575,521
Total general fund	<u>\$686,328,526</u>	<u>\$232,349,099</u>	<u>\$918,677,625</u>

Detail of House Changes to the General Fund

	Adjusts Funding for University System Office ¹	Provides Funding Formula Adjustments ²	Adjusts Special Funds and FTE Positions ³	Adds Funding for Research Network	Adds Funding for Behavioral Health ⁴	Adds Funding for Capital Projects ⁵
University System Office	\$93,179,187					
Bismarck State College		\$3,914,929			\$204,000	
Lake Region State College		858,690			109,000	
Williston State College		1,703,240			169,140	
University of North Dakota		23,941,127		\$3,201,100	660,000	
UND Medical Center		12,013,712				
North Dakota State University		16,858,523		3,201,100	1,100,000	
State College of Science		2,412,108			186,750	
Dickinson State University		3,334,077			327,000	
Mayville State University		2,814,040			308,734	
Minot State University		6,020,163			170,000	
Valley City State University		3,189,923			236,000	
Dakota College at Bottineau		1,483,513			170,000	
Forest Service						
Total general fund	\$93,179,187	\$78,544,045	\$0	\$6,402,200	\$3,640,624	\$0

	Adds Other One-Time Funding ⁶	Adjusts Forest Service Funding ⁷	Total the General Fund Changes
University System Office			\$93,179,187
Bismarck State College			4,118,929
Lake Region State College			967,690
Williston State College			1,872,380
University of North Dakota	\$45,000,000		72,802,227
UND Medical Center			12,013,712
North Dakota State University	4,800,000		25,959,623
State College of Science			2,598,858
Dickinson State University			3,661,077
Mayville State University			3,122,774
Minot State University			6,190,163
Valley City State University			3,425,923
Dakota College at Bottineau			1,653,513
Forest Service		\$783,043	783,043
Total general fund	\$49,800,000	\$783,043	\$232,349,099

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Base Budget	House Changes	House Version
University System Office	\$25,757,035	\$872,198	\$26,629,233
Bismarck State College	70,409,893	34,400,734	104,810,627
Lake Region State College	25,271,428	1,655,128	26,926,556
Williston State College	24,019,535	44,830,555	68,850,090
University of North Dakota	755,657,771	218,613,966	974,271,737
UND Medical Center	160,806,249	5,782,718	166,588,967
North Dakota State University	625,417,100	130,501,035	755,918,135
State College of Science	60,845,052	22,212,951	83,058,003
Dickinson State University	30,992,408	19,421,619	50,414,027
Mayville State University	32,282,440	51,733,204	84,015,644
Minot State University	64,047,767	15,504,561	79,552,328
Valley City State University	26,377,846	36,936,844	63,314,690
Dakota College at Bottineau	14,216,200	5,839,622	20,055,822
Forest Service	10,669,315	8,469,894	19,139,209
Total other funds	\$1,926,770,039	\$596,775,029	\$2,523,545,068

Detail of House Changes to Other Funds

	Adjusts Funding for University System Office ¹	Provides Funding Formula Adjustments ²	Adjusts Special Funds and FTE Positions ³	Adds Funding for Research Network	Adds Funding for Behavioral Health ⁴	Adds Funding for Capital Projects ⁵
University System Office	\$872,198					\$31,500,000
Bismarck State College			\$2,900,734			600,000
Lake Region State College			1,055,128			43,913,939
Williston State College			916,616			190,000,000
University of North Dakota			28,613,966			
UND Medical Center			5,782,718			
North Dakota State University			23,501,035			107,000,000
State College of Science			2,237,951			19,975,000
Dickinson State University			1,421,619			18,000,000
Mayville State University			1,763,104			49,970,100
Minot State University			3,639,561			11,865,000
Valley City State University			1,436,844			35,500,000
Dakota College at Bottineau			539,622			5,300,000
Forest Service						
Total other funds	\$872,198	\$0	\$73,808,898	\$0	\$0	\$513,624,039

	Adds Other One-Time Funding ⁶	Adjusts Forest Service Funding ⁷	Total Other Funds Changes
University System Office			\$872,198
Bismarck State College			34,400,734
Lake Region State College			1,655,128
Williston State College			44,830,555
University of North Dakota			218,613,966
UND Medical Center			5,782,718
North Dakota State University			130,501,035
State College of Science			22,212,951
Dickinson State University			19,421,619
Mayville State University			51,733,204
Minot State University			15,504,561
Valley City State University			36,936,844
Dakota College at Bottineau			5,839,622
Forest Service		\$8,469,894	8,469,894
Total other funds	\$0	\$8,469,894	\$596,775,029

House Bill No. 1003 - North Dakota University System - All Funds Summary

	Base Budget	House Changes	House Version
University System Office	\$142,655,511	\$94,051,385	\$236,706,896
Bismarck State College	102,493,948	38,519,663	141,013,611
Lake Region State College	39,513,580	2,622,818	42,136,398
Williston State College	35,306,272	46,702,935	82,009,207
University of North Dakota	906,584,896	291,416,193	1,198,001,089
UND Medical Center	228,929,208	17,796,430	246,725,638
North Dakota State University	763,848,425	156,460,658	920,309,083
State College of Science	96,559,844	24,811,809	121,371,653
Dickinson State University	51,235,138	23,082,696	74,317,834
Mayville State University	50,962,268	54,855,978	105,818,246
Minot State University	105,254,397	21,694,724	126,949,121
Valley City State University	50,539,223	40,362,767	90,901,990
Dakota College at Bottineau	23,754,062	7,493,135	31,247,197
Forest Service	15,461,793	9,252,937	24,714,730
Total all funds	\$2,613,098,565	\$829,124,128	\$3,442,222,693
FTE	6,533.99	71.92	6,605.91

Detail of House Changes to All Funds

	Adjusts Funding for University System Office ¹	Provides Funding Formula Adjustments ²	Adjusts Special Funds and FTE Positions ³	Adds Funding for Research Network	Adds Funding for Behavioral Health ⁴	Adds Funding for Capital Projects ⁵
University System Office	\$94,051,385					
Bismarck State College		\$3,914,929	\$2,900,734		\$204,000	\$31,500,000
Lake Region State College		858,690	1,055,128		109,000	600,000
Williston State College		1,703,240	916,616		169,140	43,913,939
University of North Dakota		23,941,127	28,613,966	\$3,201,100	660,000	190,000,000
UND Medical Center		12,013,712	5,782,718			
North Dakota State University		16,858,523	23,501,035	3,201,100	1,100,000	107,000,000
State College of Science		2,412,108	2,237,951		186,750	19,975,000
Dickinson State University		3,334,077	1,421,619		327,000	18,000,000
Mayville State University		2,814,040	1,763,104		308,734	49,970,100
Minot State University		6,020,163	3,639,561		170,000	11,865,000
Valley City State University		3,189,923	1,436,844		236,000	35,500,000
Dakota College at Bottineau		1,483,513	539,622		170,000	5,300,000
Forest Service						
Total all funds	\$94,051,385	\$78,544,045	\$73,808,898	\$6,402,200	\$3,640,624	\$513,624,039
FTE	4.00	0.00	66.92	0.00	0.00	0.00

	Adds Other One-Time Funding ⁶	Adjusts Forest Service Funding ⁷	Total All Funds Changes
University System Office			\$94,051,385
Bismarck State College			38,519,663
Lake Region State College			2,622,818
Williston State College			46,702,935
University of North Dakota	\$45,000,000		291,416,193
UND Medical Center			17,796,430
North Dakota State University	4,800,000		156,460,658
State College of Science			24,811,809
Dickinson State University			23,082,696
Mayville State University			54,855,978
Minot State University			21,694,724
Valley City State University			40,362,767
Dakota College at Bottineau			7,493,135
Forest Service		\$9,252,937	9,252,937
Total all funds	\$49,800,000	\$9,252,937	\$829,124,128
FTE	0.00	1.00	71.92

¹ Funding for the University System office is adjusted as detailed in the schedules below.

The following schedule details funding adjustments for system governance:

System Governance

	FTE Positions	General Fund	Other Funds	Total Funds
Base payroll changes	4.00	\$74,578		\$74,578
Salary increase		398,183	\$16,289	414,472
Health insurance increase		112,614	5,262	117,876
Financial aid staff		125,000		125,000
New financial aid system ongoing costs		273,180		273,180
New financial aid system one-time costs		1,554,354		1,554,354
Capitol space rent model		143,625		143,625
Total	4.00	\$2,681,534	\$21,551	\$2,703,085

The following schedule details funding adjustments for Core Technology Services:

Core Technology Services

	General Fund	Other Funds	Total Funds
Base payroll changes	\$137,190	\$82,198	\$219,388
Salary increase	1,041,551	525,737	1,567,288
Health insurance increase	395,293	242,712	638,005
Software and a security operations center	4,500,000		4,500,000
Replace funding from tuition for salaries and wages	939,310		939,310
Total	\$7,013,344	\$850,647	\$7,863,991

The following schedule details funding for passthrough grants:

	General Fund
Fort Abraham Lincoln Foundation Heritage River Landing	\$500,000
Bismarck State College polytechnic building	10,000,000
Minot children's science center	1,000,000
Dickinson State University Pulver Hall	2,600,000
Dickinson State University digitization of documents	1,000,000
North Dakota Gateway to Science	5,000,000
Total passthrough grants	\$20,100,000

The following schedule details funding adjustments in other line items in the University System office budget:

	Base Level	General Fund Adjustment	House Version
Capital assets - Bond payments	\$13,385,264	(\$2,187,368)	\$11,197,896
Student financial assistance grants	23,917,306	12,000,000	35,917,306
Academic and CTE scholarships	16,216,749	1,000,000	17,216,749
Native American scholarship	555,323	444,677	1,000,000
Tribally controlled community college grants	1,000,000	1,000,000	2,000,000
Veterans' assistance grants	277,875	177,000	454,875
Challenge grants (one-time)	0	36,000,000	36,000,000
Dakota Digital Academy (one-time)	0	450,000	450,000
Workforce education innovation (one-time)	0	10,000,000	10,000,000
Single parent support (one-time)	0	4,500,000	4,500,000
Total	\$55,352,517	\$63,384,309	\$118,736,826

² The following adjustments are made to institution general fund appropriations through the higher education funding formula:

	Credit-Hour Completion Adjustment	Formula Adjustment	Hold Harmless	Cost to Continue	Salary Increase	Health Insurance Increase	Total Increase
Bismarck State College	(\$843,194)	\$1,306,862		\$156,583	\$2,043,190	\$1,251,488	\$3,914,929
Dakota College at Bottineau	428,768			49,819	696,639	308,287	1,483,513
Lake Region State College	(1,157,713)	412,756	\$175,271	65,404	894,717	468,255	858,690
State College of Science	(4,001,780)	2,765,148		156,925	2,367,340	1,124,475	2,412,108
Williston State College	137,487	322,613		57,105	866,939	319,096	1,703,240
Dickinson State University	998,877			98,272	1,450,501	786,427	3,334,077
Mayville State University	685,147			89,590	1,365,632	673,671	2,814,040
Minot State University	1,342,514			196,850	2,944,280	1,536,519	6,020,163
Valley City State University	480,872			114,005	1,635,744	959,302	3,189,923
North Dakota State University	(7,591,732)		2,054,479	696,301	14,538,568	7,160,907	16,858,523
University of North Dakota	(1,616,355)			720,276	18,985,262	5,851,944	23,941,127
UND School of Medicine	1,861,864			389,953	8,400,006	1,361,889	12,013,712
Total	(\$9,275,245)	\$4,807,379	\$2,229,750	\$2,791,083	\$56,188,818	\$21,802,260	\$78,544,045

Funding is added from the general fund for the 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month. In addition, approximately \$44.7 million from the general fund to pay the tuition portion of a 6 percent and 4 percent salary increase and the tuition portion of the health insurance increase is included in the salary increase and health insurance increase columns.

³ The following adjustments are made to institution other funds appropriations and FTE positions:

FTE Position Adjustments

	FTE Positions	Salary Increase	Health Insurance Increase	Other Adjustments	Total
Bismarck State College	2.43	\$1,636,581	\$974,448	\$289,705	\$2,900,734
Dakota College at Bottineau	(7.86)	296,773	199,582	43,267	539,622
Lake Region State College	4.83	618,726	336,358	100,044	1,055,128
State College of Science	2.34	1,250,439	800,793	186,719	2,237,951
Williston State College	1.54	556,396	278,619	81,601	916,616
Dickinson State University	2.50	816,325	484,388	120,906	1,421,619
Mayville State University	(3.43)	907,083	730,912	125,109	1,763,104
Minot State University	20.59	2,113,443	1,193,878	332,240	3,639,561
Valley City State University	9.17	777,588	539,086	120,170	1,436,844
North Dakota State University	38.07	13,934,225	7,487,950	2,078,860	23,501,035
University of North Dakota	0.58	17,040,090	8,846,162	2,727,714	28,613,966
UND School of Medicine	(3.84)	3,786,917	1,405,057	590,744	5,782,718
Total	66.92	\$43,734,586	\$23,277,233	\$6,797,079	\$73,808,898

⁴ One-time funding of \$3,640,624 is added for the behavioral health initiative.

⁵ One-time funding is added for the following capital building projects:

	Strategic Investment and Improvements Fund	Other Funds	Total Funds
BSC multipurpose academic and athletic center	\$29,900,000	\$1,600,000	\$31,500,000
LRSC wind turbine gearbox		600,000	600,000
WSC medical healthcare building	34,750,000	1,850,000	36,600,000
WSC turf project		7,313,939	7,313,939
UND EERC facility		33,000,000	33,000,000
UND science, engineering, and national security corridor	57,400,000	24,600,000	82,000,000
UND science, technology, engineering, and math building	52,000,000	23,000,000	75,000,000
NDSU music building		20,000,000	20,000,000
NDSU Sudro Hall expansion		3,000,000	3,000,000
NDSU center for engineering and computational sciences	59,000,000	25,000,000	84,000,000
NDSCS agriculture, automation, and autonomous systems building	18,975,000	1,000,000	19,975,000
DSU agriculture and technical education building	17,100,000	900,000	18,000,000
MaSU Old Main renovation	49,970,100		49,970,100
MiSU Dakota Hall demolition	765,000		765,000
MiSU academic building	7,600,000	400,000	8,000,000
MiSU student center renovation		3,100,000	3,100,000
VCSU Osmon Fieldhouse addition		20,000,000	20,000,000
VCSU Student Center renovation		2,000,000	2,000,000
VCSU McCarthy Hall	11,500,000	2,000,000	13,500,000
DCB Old Main renovation	4,300,000	1,000,000	5,300,000
Total capital projects	\$343,260,100	\$170,363,939	\$513,624,039

⁶ One-time funding of \$49.8 million from the general fund is added for the UND national security initiative (\$45 million) and NDSU workforce education (\$4.8 million).

⁷ The following funding adjustments are made for the Forest Service:

Forest Service

	FTE Positions	General Fund	Other Funds	Total Funds
Base payroll changes		\$30,847		\$30,847
Salary increase of 4 percent per year		233,644	\$6,491	240,135
Health insurance increase to \$1,648 per month		131,552	5,262	136,814
Towner state nursery			200,000	200,000
Cooperative fire protection initiative	1.00	187,000		187,000
Forest recreation enhancements		200,000		200,000
Grant funding to enhance services			8,258,141	8,258,141
Total	1.00	\$783,043	\$8,469,894	\$9,252,937

House Bill No. 1003 - Other Changes - House Action

This amendment also adds sections to:

- Identify \$293,290,000 for various institution capital projects is from SIIF;
- Identify \$4.8 million from the general fund appropriated to NDSU is for creating or expanding programs and enrollment initiatives to address workforce needs;
- Identify \$4.5 million from the general fund appropriated to the University System office is for support for single mothers;
- Provide for a transfer of \$367,000 from University System office carryover to NDSU operations for the costs of a severance package;
- Provide future severance agreements be paid from the University System office budget;
- Provide for \$1.5 million from Bank of North Dakota profits for the dual-credit tuition scholarship program;
- Continue and expand the career builders program and to provide \$15 million from Bank of North Dakota profits for the program;
- Continue the capital building fund program and to provide \$29 million from SIIF for the program;
- Restrict the State Board of Higher Education from requesting funding for capital projects from the 69th Legislative Assembly;
- Provide for an annual report to the Budget Section on higher education trends;
- Require the approval of requests for new academic programs within 30 days;
- Require the State Board of Higher Education to provide a disclosure of financial condition to final applicants for the position of president;
- Continue the challenge grant program and to provide \$36 million from the general fund for the program;
- Replace the Workforce Education Advisory Council with the Workforce Development Council;
- Require institutions to identify local matching funds for capital project requests;
- Amend the higher education funding formula, including to increase funding for career and technical education credits and to restore the minimum amount payable;
- Increase the maximum award under the student financial assistance grant program;
- Allow Dickinson State University to use funds donated for the digitization of documents relating to Theodore Roosevelt without establishing an endowment;
- Allow the University System to continue unexpended appropriations into the 2023-25 biennium;
- Allow Lake Region State College to use funds from the University System capital building fund to replace a wind turbine gearbox without providing matching funds;
- Allow institutions to continue appropriation authority for various capital projects into the 2023-25 biennium; and
- Limit tuition increases.

