



**EXECUTIVE BUDGET RECOMMENDATION
 2025-27 BIENNIUM**

Budget Summary

| | FTE Positions | General Fund | Other Funds | Total |
|---------------------------------|----------------------|---------------------|----------------------|----------------------|
| Executive budget recommendation | 529.06 | \$96,833,770 | \$174,018,316 | \$270,852,086 |
| Base level | 488.83 | 82,831,276 | 168,241,842 | 251,073,118 |
| Increase (decrease) | 40.23 | \$14,002,494 | \$5,776,474 | \$19,778,968 |
| Percentage increase (decrease) | 8.2% | 16.9% | 3.4% | 7.9% |

NOTE:

Additional information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

Selected Highlights

- Adjusts funding to reflect credits completed during the 2021-23 biennium
- Increases base rates in the higher education funding formula to provide a 10 percent inflationary increase to provide funding for salary and health insurance increases, to continue targeted market equity and employer retirement contribution funding appropriated for the 2023-25 biennium, and other adjustments

Deficiency Appropriations

There are no deficiency appropriations for this entity.

Significant Audit Findings

There are no significant audit findings for this entity.

Major Related Legislation

As of the date of this report, there is no major related legislation for this entity.



North Dakota University System Institutions - Budget No. 227-243
Agency Worksheet - Senate Bill No. 2003

| | Executive Budget | | | |
|--|------------------|----------------------|------------------------|------------------------|
| | FTE Positions | General Fund | Other Funds | Total |
| 2025-27 Biennium Base Level | 6,414.08 | \$672,612,321 | \$1,981,340,178 | \$2,653,952,499 |
| 2025-27 Ongoing Funding Changes | | | | |
| FTE adjustment pursuant to Section 39 of House Bill No. 1003 (2023) | 116.74 | | | \$0 |
| Salary increase | | | \$45,570,807 | 45,570,807 |
| Health insurance increase | | | 27,427,105 | 27,427,105 |
| Retirement contribution increase | | | | 0 |
| Adjusts funding to reflect 2021-23 biennium credits | | (\$9,494,628) | | (9,494,628) |
| Removes targeted equity and employer retirement pool funding | | (17,741,128) | | (17,741,128) |
| Increases base rates by 10 percent | | 63,145,265 | | 63,145,265 |
| Adds special fund authority for information technology rate adjustment | | | 409,159 | 409,159 |
| Total ongoing funding changes | 116.74 | \$35,909,509 | \$73,407,071 | \$109,316,580 |
| One-Time Funding Items | | | | |
| 2023-25 biennium equalization reductions restoration | | \$2,627,241 | | \$2,627,241 |
| WSC health care programs startup costs | | 1,490,000 | | 1,490,000 |
| UND and NDSU high performance computing | | 4,000,000 | | 4,000,000 |
| NDSU wrestling facility (local funds) | | | \$13,000,000 | 13,000,000 |
| DSU Woods Hall (revenue bond proceeds) | | | 5,000,000 | 5,000,000 |
| MaSU Old Main renovation (SIIF) | | | 34,924,814 | 34,924,814 |
| MiSU Student Center renovation (revenue bond proceeds) | | | 3,100,000 | 3,100,000 |
| Total one-time funding changes | 0.00 | \$8,117,241 | \$56,024,814 | \$64,142,055 |
| Total Changes to Base Level Funding | 116.74 | \$44,026,750 | \$129,431,885 | \$173,458,635 |
| 2025-27 Total Funding | 6,530.82 | \$716,639,071 | \$2,110,772,063 | \$2,827,411,134 |

Federal funds included in other funds

\$0

Total ongoing changes - Percentage of base level

1.8%

5.3%

3.7%

4.1%

Total changes - Percentage of base level

1.8%

6.5%

6.5%

6.5%

Other Sections in North Dakota University System Institutions - Budget No. 227-243

| Section Description | Executive Budget |
|---|------------------|
| Other sections are identified on the North Dakota University System office worksheet. | |

Sixty-ninth
 Legislative Assembly
 of North Dakota

**SENATE BILL NO. 2003
 (Governor’s Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the North Dakota university system; to amend and reenact sections subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of section 15-10-48.2, subdivision c of subsection 1 of section 15-10-49, 15-18.2-05, and 54-44.1-11 of the North Dakota Century Code, relating to matching grants for institutions under the control of the state board of higher education, state aid to institutions, and the cancellation of unexpended appropriations; to provide for transfer of funds; and to provide exemptions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. 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, and from special funds derived from federal funds and other income to the North Dakota university system office and to the various entities and institutions under the supervision of the state board of higher education for the purpose of defraying the expenses of the North Dakota university system office and to the various entities for the biennium beginning July 1, 2025 and ending June 30, 2027, as follows:

Subdivision 1.
 NORTH DAKOTA UNIVERSITY SYSTEM OFFICE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-------------------------------------|-------------------|--|----------------------|
| Capital Assets | \$11,197,896 | (\$936,521) | \$10,261,375 |
| Student Financial Assistance Grants | 29,917,306 | 1,000,000 | 30,917,306 |
| Veterans Assistance Grants | 454,875 | 0 | 454,875 |
| Scholars Program | 1,807,115 | 0 | 1,807,115 |
| Nursing Education Consortium | 1,356,000 | 1,100,000 | 2,456,000 |
| Native American Scholarships | 1,000,000 | 0 | 1,000,000 |
| Core Technology Services | 71,988,917 | 13,726,203 | 85,715,120 |
| Education Challenge Fund | 0 | 30,000,000 | 30,000,000 |
| Education Incentive Programs | 260,000 | 0 | 260,000 |
| Tribal Community College Grants | 1,400,000 | 0 | 1,400,000 |
| Academic and Tech Ed Scholarship | 17,216,749 | 0 | 17,216,749 |
| Student Exchange Program | 3,699,342 | 1,500,000 | 5,199,342 |
| NASA Epscor | 342,000 | 0 | 342,000 |
| Student Mental Health | 284,400 | 0 | 284,400 |
| Competitive Research Program | 5,685,750 | 0 | 5,685,750 |
| System Governance | 10,569,162 | 2,038,593 | 12,607,755 |
| Shared Campus Services | 800,000 | 0 | 800,000 |
| Dual Credit Tuition Scholarship | 0 | 1,500,000 | 1,500,000 |
| Dakota Digital Academy | 0 | 450,000 | 450,000 |
| Total All Funds | \$157,979,512 | \$50,378,275 | \$208,357,787 |
| Less Estimated Income | <u>24,760,897</u> | <u>41,126,033</u> | <u>65,886,930</u> |
| Total General Fund | \$133,218,615 | \$9,252,242 | \$142,470,857 |
| Full-Time Equivalent Positions | 162.83 | 6.00 | 168.83 |

Subdivision 2.
BISMARCK STATE COLLEGE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$110,026,302 | \$5,671,878 | \$115,698,180 |
| Capital Assets | <u>1,922,561</u> | <u>521,938</u> | <u>2,444,499</u> |
| Total All Funds | \$111,948,863 | \$6,193,816 | \$118,142,679 |
| Less Estimated Income | <u>74,566,953</u> | <u>3,051,570</u> | <u>77,618,523</u> |
| Total General Fund | \$37,381,910 | \$3,142,246 | \$40,524,156 |
| Full-Time Equivalent Positions | 335.33 | 2.92 | 338.25 |

Subdivision 3.
LAKE REGION STATE COLLEGE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$41,913,722 | \$431,177 | \$42,344,910 |
| Capital Assets | <u>362,667</u> | <u>0</u> | <u>362,667</u> |
| Total All Funds | \$42,276,400 | \$431,177 | \$42,707,577 |
| Less Estimated Income | <u>26,601,597</u> | <u>931,171</u> | <u>27,532,768</u> |
| Total General Fund | \$15,674,803 | (\$499,994) | \$15,174,809 |
| Full-Time Equivalent Positions | 120.59 | (5.44) | 115.15 |

Subdivision 4.
WILLISTON STATE COLLEGE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|--|----------------------|
| Operations | \$37,378,349 | \$1,337,369 | \$38,715,718 |
| Capital Assets | <u>1,261,968</u> | <u>570,800</u> | <u>1,832,768</u> |
| Total All Funds | \$38,640,317 | \$1,908,169 | \$40,548,486 |
| Less Estimated Income | <u>25,154,992</u> | <u>796,812</u> | <u>25,951,804</u> |
| Total General Fund | \$13,485,325 | \$1,111,357 | \$14,596,682 |
| Full-Time Equivalent | 102.83 | (3.09) | 99.74 |

Subdivision 5.
UNIVERSITY OF NORTH DAKOTA

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$967,725,671 | \$42,219,550 | \$1,009,946,221 |
| Capital Assets | 4,411,566 | 0 | 4,411,566 |
| Research Network | <u>2,500,000</u> | <u>2,000,000</u> | <u>4,500,000</u> |
| Total All Funds | \$974,637,237 | \$44,219,550 | \$1,018,856,787 |
| Less Estimated Income | <u>790,481,57</u> | <u>29,126,345</u> | <u>819,60,202</u> |
| Total General Fund | \$184,155,380 | \$15,093,205 | \$199,248,585 |
| Full-Time Equivalent Positions | 2060.56 | 131.39 | 2,191.95 |

Subdivision 6.
NORTH DAKOTA STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|--------------------|--|----------------------|
| Operations | \$807,365,091 | \$22,035,434 | \$829,400,525 |
| Capital Assets | 7,799,104 | 0 | 7,799,104 |
| Research Network | 2,500,000 | 2,000,000 | 4,500,000 |
| Capital Assets – Off System | <u>0</u> | <u>13,000,000</u> | <u>13,000,000</u> |
| Total All Funds | \$817,664,195 | \$37,035,434 | \$854,699,629 |
| Less Estimated Income | <u>653,917,430</u> | <u>35,772,791</u> | <u>689,690,221</u> |
| Total General Fund | \$163,746,765 | \$1,262,643 | \$165,009,408 |
| Full-Time Equivalent Positions | 1,867.50 | (61.54) | 1,805.96 |

Subdivision 7.
NORTH DAKOTA STATE COLLEGE OF SCIENCE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$102,490,255 | \$7,481,924 | \$109,972,179 |
| Capital Assets | <u>1,012,379</u> | <u>0</u> | <u>1,012,379</u> |
| Total All Funds | \$103,502,634 | \$7,481,924 | \$110,984,558 |
| Less Estimated Income | <u>63,645,097</u> | <u>2,273,578</u> | <u>65,918,675</u> |
| Total General Fund | \$39,857,537 | \$5,208,346 | \$45,065,883 |
| Full-Time Equivalent Positions | 313.95 | 12.59 | 326.54 |

Subdivision 8.
DICKINSON STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$56,728,746 | \$2,344,990 | \$59,073,736 |
| Capital Assets | 409,078 | 0 | 409,078 |
| Capital Improv – Off System | <u>0</u> | <u>5,000,000</u> | <u>5,000,000</u> |
| Total All Funds | \$57,137,824 | \$7,344,990 | \$64,482,814 |
| Less Estimated Income | <u>32,697,829</u> | <u>6,258,716</u> | <u>38,956,545</u> |
| Total General Fund | \$24,439,995 | \$1,086,274 | \$25,526,269 |
| Full-Time Equivalent Positions | 178.00 | (7.20) | 170.80 |

Subdivision 9.
MAYVILLE STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$56,295,375 | \$2,827,760 | \$59,123,135 |
| Capital Assets | <u>358,992</u> | <u>34,924,814</u> | <u>35,283,806</u> |
| Total All Funds | \$56,654,367 | \$37,752,574 | \$94,406,941 |
| Less Estimated Income | <u>34,375,971</u> | <u>36,760,335</u> | <u>71,136,306</u> |
| Total General Fund | \$22,278,396 | \$992,239 | \$23,270,635 |
| Full-Time Equivalent Positions | 226.92 | 0.00 | 226.92 |

Subdivision 10.
MINOT STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$116,510,048 | \$5,553,276 | \$122,063,324 |
| Capital Assets | 1,099,620 | 0 | 1,099,620 |
| Capital Improv Off System | <u>0</u> | <u>3,100,000</u> | <u>3,100,000</u> |
| Total All Funds | \$117,609,668 | \$8,653,276 | \$126,262,944 |
| Less Estimated Income | <u>68,644,425</u> | <u>6,707,213</u> | <u>75,351,638</u> |
| Total General Fund | \$48,965,243 | \$1,946,063 | \$50,911,306 |
| Full-Time Equivalent Positions | 423.63 | (2.47) | 421.16 |

Subdivision 11.
VALLEY CITY STATE UNIVERSITY

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------|-------------------|--|----------------------|
| Operations | \$56,008,906 | \$1,256,253 | \$57,265,159 |
| Capital Assets | <u>455,823</u> | <u>0</u> | <u>455,823</u> |
| Total All Funds | \$56,464,729 | \$1,256,253 | \$57,720,982 |
| Less Estimated Income | <u>28,111,916</u> | <u>1,421,115</u> | <u>29,533,031</u> |
| Total General Fund | \$28,352,813 | (\$164,862) | \$28,187,951 |
| Full-Time Equivalent Positions | 211.94 | 5.50 | 217.44 |

Subdivision 12.
DAKOTA COLLEGE AT BOTTINEAU

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|------------------------------------|----------------------|
| Operations | \$26,229,141 | \$1,402,533 | \$27,631,674 |
| Capital Assets | <u>114,007</u> | <u>0</u> | <u>114,707</u> |
| Total All Funds | \$26,343,148 | \$1,402,533 | \$27,745,681 |
| Less Estimated Income | <u>14,216,200</u> | <u>4,334,830</u> | <u>18,551,030</u> |
| Total General Fund | \$11,442,878 | \$846,769 | \$12,289,647 |
| Full-Time Equivalent | 84.00 | 3.85 | 87.85 |

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 | \$240,396,968 | \$19,778,968 | \$260,175,936 |
| Healthcare Workforce | <u>10,676,150</u> | <u>0</u> | <u>10,676,150</u> |
| Total All Funds | \$251,073,118 | \$19,778,968 | \$270,852,086 |
| Less Estimated Income | <u>168,241,842</u> | <u>5,776,474</u> | <u>174,018,316</u> |
| Total General Fund | \$82,831,276 | \$14,002,494 | \$96,833,770 |
| Full-Time Equivalent | 488.83 | 40.23 | 529.06 |

Subdivision 14.
NORTH DAKOTA FOREST SERVICE

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|-----------------------|-------------------|------------------------------------|----------------------|
| Operations | \$24,874,803 | \$1,646,109 | \$26,520,912 |
| Capital Assets | <u>118,728</u> | <u>0</u> | <u>118,728</u> |
| Total All Funds | \$24,993,531 | \$1,646,109 | \$26,639,640 |
| Less Estimated Income | <u>19,141,941</u> | <u>109,368</u> | <u>19,251,309</u> |
| Total General Fund | \$5,851,590 | \$1,536,741 | \$7,388,331 |
| Full-Time Equivalent | 29.00 | 5.00 | 34.00 |

Subdivision 15.
BILL TOTAL

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|---------------------------|----------------------|------------------------------------|----------------------|
| Grand Total General Fund | \$811,682,526 | \$54,815,763 | \$866,498,289 |
| Grand Total Special Funds | <u>2,025,243,017</u> | <u>170,667,285</u> | <u>2,195,910,302</u> |
| Grand Total All Funds | \$2,836,925,543 | \$225,483,048 | \$3,062,408,591 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 one-time funding items included in the appropriation in section 1 of this Act:

| <u>One-Time Funding Description</u> | <u>2023-25</u> | <u>2025-27</u> |
|---|----------------|----------------|
| Capital Projects – SIIF | \$209,976,971 | \$34,924,814 |
| Capital Projects – other funds | 201,747,055 | 21,100,000 |
| Capital Projects – general fund | 18,160,000 | 0 |
| Challenge grants | 20,000,000 | 30,000,000 |
| NDSU additional minimum amount payable | 4,800,000 | 0 |
| NDSCS additional minimum amount payable | 1,005,347 | 0 |
| MaSU discretionary funding | 1,750,000 | 0 |
| UND national security initiative | 9,000,000 | 0 |
| Financial aid software | 1,669,354 | 0 |
| Dakota digital academy | 450,000 | 450,000 |
| Enterprise resource planning | 0 | 10,000,000 |

| | | |
|--|---------------|---------------|
| Nursing education consortium | 0 | 1,100,000 |
| Financial aid enhancement | 0 | 900,000 |
| Dual credit scholarship | 0 | 1,500,000 |
| Professional exchange program | 0 | 1,500,000 |
| BSC 23-25 funding formula adjustment | 0 | 359,847 |
| LRSC 23-25 funding formula adjustment | 0 | 104,307 |
| NDSU 23-25 funding formula adjustment | 0 | 1,851,135 |
| DSU 23-25 funding formula adjustment | 0 | 107,519 |
| MiSU 23-25 funding formula adjustment | 0 | 201,415 |
| VCSU 23-25 funding formula adjustment | 0 | 3,018 |
| WSC Healthcare start up costs | 0 | 1,490,000 |
| High performance research computing – NDSU and UND | 0 | 4,000,000 |
| Emerald Ash Borer mitigation | 0 | 950,000 |
| Total All Funds | \$468,558,727 | \$110,542,055 |
| Total Other Funds | 411,724,026 | 96,024,814 |
| Total General Fund | \$56,834,701 | \$14,517,241 |

The 2025-27 one-time funding amounts are not a part of the entity's base budget for the 2027-29 biennium. The North Dakota university system shall report to the appropriations committees of the seventieth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2025 and ending June 30, 2027.

SECTION 3. 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 ~~two million seven hundred thousand~~ four million dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~two~~ three million two hundred thousand dollars in matching grants to the university of North Dakota school of medicine and health sciences. 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 4. AMENDMENT. Subdivision c of subsection 1 of section 15-10-48.2 of the North Dakota Century Code is amended and reenacted as follows:

- c. The board may award up to ~~two~~ three million two hundred thousand dollars in matching grants under this section.

SECTION 5. 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) ~~One million seven hundred~~ Two million five hundred thousand dollars each to Bismarck state college, Minot state university and the North Dakota state college of science;
 - (2) ~~One million one hundred~~ One million seven hundred thousand dollars each to Dickinson state university, Mayville state university, and Valley City state university; and
 - (3) ~~Six hundred thousand~~ One million dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college.

SECTION 6. AMENDMENT. Section 15-18.2-05 of the North Dakota Century Code is amended and reenacted as follows:

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

1. 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. ~~\$73.15~~ \$80.47 in the case of North Dakota state university and the university of North Dakota;
 - b. ~~\$103.76~~ \$114.14 in the case of Dickinson state university, Mayville state university, Minot state university, and Valley City state university; and

- c. ~~\$140.38~~\$121.42 in the case of Bismarck state college, Dakota college at Bottineau, Lake Region state college, North Dakota state college of science, and Williston state college.
2. For institutions under subdivision b of subsection 1, the state board of higher education shall multiply the product determined under section 15-18.2-03 for credits completed in instructional programs under subdivision k of subsection 1 of section 15-18.2-02 by the base amount under subdivision c of subsection 1.
3. For institutions under subdivision c of subsection 1, the state board of higher education shall multiply the product determined under section 15-18.2-03 for upper division credits completed in instructional programs under subdivisions a through j of subsection 1 of section 15-18.2-02 by the base amount under subdivision b of subsection 1.

SECTION 7. 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, ~~2025~~2027)

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, ~~2025~~2027) 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 8. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION. All funds, in addition to those appropriated in section 1 of this Act, from federal, private, and other sources for competitive grants or other funds that the legislative assembly has not indicated the intent to reject, including tuition revenue, received by the state board of higher education and the institutions and entities under the control of the state board of higher education, are appropriated to the board and those institutions and entities, for the biennium beginning July 1, 2025 and ending June 30, 2027. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2025 and ending June 30, 2027, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board.

SECTION 9. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT. During the biennium beginning July 1, 2025 and ending June 30, 2027, 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 10. EXEMPTION -TRANSFER AUTHORITY – LEGISLATIVE MANAGEMENT REPORT. Notwithstanding section 54-16-04, the office of management and budget shall transfer appropriation authority from the operations to the capital assets line items within subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher education for the biennium beginning July 1, 2025, and ending June 30, 2027. The board shall report any transfer of funds under this section to the legislative management.

SECTION 11. FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state board of higher education may adjust full-time equivalent positions as needed, subject to the availability of funds, for institutions and entities under its control during the biennium beginning July 1, 2025 and ending June 30, 2027. The North Dakota university system shall report any adjustments to the office of management and budget before the submission of the 2027-29 biennium budget request.

SECTION 12. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS. The capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding from the general fund for institution extraordinary repairs. An institution, excluding the university of North Dakota and North Dakota state university, shall provide one dollar of matching funds from operations or other sources for each one dollar of extraordinary repairs funding used for a project. 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 13. TRANSFER – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND – UNIVERSITY SYSTEM CAPITAL BUILDING FUND. The office of management and budget shall transfer \$20,000,000 from the strategic investment and improvements fund to the university system capital building during the period beginning July 1, 2025 and ending June 30, 2027, 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 | \$468,262 | \$500,000 | \$968,262 |
| Lake Region State College | 195,113 | 500,000 | 695,113 |
| Williston State College | 151,742 | 500,000 | 651,742 |
| University of North Dakota | 4,797,981 | 2,250,000 | 7,047,981 |
| North Dakota State University | 3,189,556 | 2,250,000 | 5,439,556 |
| North Dakota State College of Science | 550,765 | 500,000 | 1,050,765 |
| Dickinson State University | 295,748 | 500,000 | 795,748 |
| Mayville State University | 264,032 | 500,000 | 764,032 |
| Minot State University | 630,081 | 500,000 | 1,130,081 |
| Valley City State University | 340,051 | 500,000 | 840,051 |

| | | | |
|-----------------------------|----------------|----------------|----------------|
| Dakota College at Bottineau | <u>116,670</u> | <u>500,000</u> | <u>616,670</u> |
| Total | \$11,000,000 | \$9,000,000 | \$20,000,000 |

SECTION 14. ESTIMATED INCOME – STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ONE-TIME FUNDING. The estimated income line item in section 1 of this Act includes the sum of \$40,000,000 from the strategic investment and improvements fund, of which \$30,000,000 is for the education challenge fund program and \$10,000,000 is for enterprise resource planning. This funding is considered a one-time funding item.

SECTION 15. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - - MAYVILLE STATE UNIVERSITY - CAPITAL PROJECTS. The estimated income in subdivision 9 of section 1 of this Act includes the sum of \$34,924,814 from the strategic investment and improvements fund for the completion of Mayville old main renovation. This funding is considered one-time funding item.

SECTION 16. BOND ISSUANCE AUTHORIZATION - PURPOSE. The state board of higher education, in accordance with chapter 15-55, may arrange for the funding of projects authorized in this section, declared to be in the public interest, through the issuance of self-liquidating, tax-exempt evidences of indebtedness under chapter 15-55, beginning with the effective date of this Act and ending June 30, 2027. Evidences of indebtedness issued pursuant to this section are not a general obligation of the state of North Dakota. Any unexpended balance resulting from the proceeds of the evidences of indebtedness must be placed in a sinking fund to be used for the retirement of indebtedness. The evidences of indebtedness may be issued and the proceeds of which are appropriated in section 1 of this Act for the following capital projects:

| | |
|--|-------------|
| Minot state university – student center renovation | \$3,100,000 |
| Dickinson state university – Woods hall | \$5,000,000 |

SECTION 17. EXEMPTION - PROJECT AUTHORIZATIONS. The unexpended amount remaining from the \$18,160,000 appropriated from the general fund for capital project inflation and \$209,976,971 appropriated from the strategic investment and improvements fund for capital projects at institutions under the control of the state board of higher education in section 2 of chapter 3 of the 2023 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, 2025 and ending June 30, 2027.

SECTION 18. EXEMPTION - PROJECT AUTHORIZATIONS. The unexpended amount remaining from the \$8,500,000 appropriated from the special funds and \$31,500,000 appropriated from other funds to Bismarck state college for the multipurpose academic and athletic center in section 2 of chapter 639 of the 2023 Special Session Laws are not subject to section 54-44.1-11 and any unexpended funds from the appropriations are available to Bismarck state college to complete the projects during the biennium beginning July 1, 2025 and ending June 30, 2027.

SECTION 19. EXEMPTION – TRANSFER BANK OF NORTH DAKOTA PROFITS – STATE BOARD OF HIGHER EDUCATION SCHOLARSHIPS. The amount of \$1,500,000 appropriated from profits at the Bank of North Dakota to North Dakota university system for dual-credit tuition scholarships in section 7 of chapter 3 of the 2023 Session Laws is not subject to section 54-44.1-11 and any funds not transferred and unexpended from this program are available for the program during the biennium beginning July 1, 2025 and ending June 30, 2027.

SECTION 20. EXEMPTION – TRANSFER BANK OF NORTH DAKOTA PROFITS –SKILLED WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND. The amount of \$3,400,000 available from profits at the Bank of North Dakota to North Dakota university system for the skilled workforce student loan repayment program fund in section 8 of chapter 3 of the 2023 Session Laws is not subject to section 54-44.1-11 and any funds not transferred and unexpended from this program are available for the program during the biennium beginning July 1, 2025 and ending June 30, 2027.

SECTION 21. EXEMPTION – TRANSFER BANK OF NORTH DAKOTA PROFITS –SKILLED WORKFORCE SCHOLARSHIP FUND. The amount of \$3,400,000 available from profits at the Bank of North Dakota to North Dakota university system for the skilled workforce scholarship fund in section 9 of chapter 3 of the 2023 Session Laws is not subject to section 54-44.1-11 and any funds not transferred and unexpended from this program are available for the program during the biennium beginning July 1, 2025 and ending June 30, 2027.

SECTION 22. EXEMPTION – FEDERAL STATE FISCAL RECOVERY. The amounts continued into the 2023-25 biennium in section 42 of chapter 3 of the 2023 Session Laws 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, including for the Twamley hall project at the university of North Dakota, during the period beginning with the effective date of this Act, and ending June 30, 2027.