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Sixty-eighth  
Legislative Assembly  
of North Dakota

**FIRST ENGROSSMENT  
with Conference Committee Amendments  
ENGROSSED HOUSE BILL NO. 1003**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota  
2 university system; to provide an appropriation to the Bank of North Dakota; to create and enact  
3 a new section to chapter 6-09, four new sections to chapter 15-10, section 15-10-48.2, and  
4 section 15-18.2-06.1 of the North Dakota Century Code, relating to an economic diversification  
5 research fund, matching grants for agricultural research and extension, the Bismarck state  
6 college polytechnic center, a report on higher education trends, disclosure of financial condition,  
7 and a minimum amount payable; to amend and reenact sections 15-10-38.1, 15-10-38.2,  
8 15-10-38.3, subdivision c of subsection 1 of section 15-10-48, subdivision c of subsection 1 of  
9 section 15-10-49, subsection 2 of section 15-10-49, sections 15-10-57 and 15-10-63,  
10 subdivision k of subsection 1 of section 15-18.2-02, subsection 1 of section 15-18.2-05, section  
11 15-54.1-02, subsection 1 of section 15-62.4-03, subdivision c of subsection 2 of section  
12 54-07-12, and section 54-44.1-11 of the North Dakota Century Code, relating to the skilled  
13 workforce student loan repayment program, the skilled workforce scholarship program,  
14 matching grants for the advancement of academics, the workforce development council, higher  
15 education capital projects, state aid for institutions of higher education, the university system  
16 capital building fund, student financial assistance grants, the digitization of documents relating  
17 to Theodore Roosevelt, and the cancellation of unexpended appropriations; to repeal sections  
18 15-10-48.1 and 15-10-58 of the North Dakota Century Code, relating to matching grants for  
19 legal education and the workforce education advisory council; to provide for a transfer; to  
20 provide for a legislative management study; to provide loan authorization for the Mayville state  
21 university old main project; to provide for a report; to provide an exemption; to provide  
22 legislative intent; and to declare an emergency.

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



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1	Total all funds	\$142,655,511	\$37,607,202	\$180,262,713
2	Less estimated income	<u>25,757,035</u>	<u>487,073</u>	<u>26,244,108</u>
3	Total general fund	\$116,898,476	\$37,120,129	\$154,018,605
4	Full-time equivalent positions	158.83	4.00	162.83

5 Subdivision 2.

6 BISMARCK STATE COLLEGE

7			Adjustments or	
8		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
9	Operations	\$100,571,387	\$7,699,688	\$108,271,075
10	Capital assets	<u>1,922,561</u>	<u>43,900,000</u>	<u>45,822,561</u>
11	Total all funds	\$102,493,948	\$51,599,688	\$154,093,636
12	Less estimated income	<u>70,409,893</u>	<u>37,369,688</u>	<u>107,779,581</u>
13	Total general fund	\$32,084,055	\$14,230,000	\$46,314,055
14	Full-time equivalent positions	332.90	2.43	335.33

15 Subdivision 3.

16 LAKE REGION STATE COLLEGE

17			Adjustments or	
18		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
19	Operations	\$39,150,913	\$2,263,509	\$41,414,422
20	Capital assets	<u>362,667</u>	<u>1,000,000</u>	<u>1,362,667</u>
21	Total all funds	\$39,513,580	\$3,263,509	\$42,777,089
22	Less estimated income	<u>25,271,428</u>	<u>2,257,339</u>	<u>27,528,767</u>
23	Total general fund	\$14,242,152	\$1,006,170	\$15,248,322
24	Full-time equivalent positions	115.76	4.83	120.59

25 Subdivision 4.

26 WILLISTON STATE COLLEGE

27			Adjustments or	
28		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
29	Operations	\$34,044,304	\$2,929,048	\$36,973,352
30	Capital assets	<u>1,261,968</u>	<u>43,913,939</u>	<u>45,175,907</u>
31	Total all funds	\$35,306,272	\$46,842,987	\$82,149,259

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1	Less estimated income	<u>24,019,535</u>	<u>45,011,392</u>	<u>69,030,927</u>
2	Total general fund	\$11,286,737	\$1,831,595	\$13,118,332
3	Full-time equivalent positions	101.29	1.54	102.83
4	Subdivision 5.			

UNIVERSITY OF NORTH DAKOTA

6			Adjustments or	
7		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
8	Operations	\$902,173,330	\$60,080,851	\$962,254,181
9	Capital assets	4,411,566	127,500,000	131,911,566
10	National security initiative	0	9,000,000	9,000,000
11	Research network	<u>0</u>	<u>2,500,000</u>	<u>2,500,000</u>
12	Total all funds	\$906,584,896	\$199,080,851	\$1,105,665,747
13	Less estimated income	<u>755,657,771</u>	<u>156,803,837</u>	<u>912,461,608</u>
14	Total general fund	\$150,927,125	\$42,277,014	\$193,204,139
15	Full-time equivalent positions	2,059.98	0.58	2,060.56
16	Subdivision 6.			

NORTH DAKOTA STATE UNIVERSITY

18			Adjustments or	
19		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20	Operations	\$756,049,321	\$46,573,844	\$802,623,165
21	Capital assets	7,799,104	107,000,000	114,799,104
22	Minimum amount payable adjustment	0	4,800,000	4,800,000
23	Research network	<u>0</u>	<u>2,500,000</u>	<u>2,500,000</u>
24	Total all funds	\$763,848,425	\$160,873,844	\$924,722,269
25	Less estimated income	<u>625,417,100</u>	<u>135,106,551</u>	<u>760,523,651</u>
26	Total general fund	\$138,431,325	\$25,767,293	\$164,198,618
27	Full-time equivalent positions	1,829.43	38.07	1,867.50
28	Subdivision 7.			

NORTH DAKOTA STATE COLLEGE OF SCIENCE

30			Adjustments or	
31		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

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1	Operations	\$95,547,465	\$5,686,699	\$101,234,164
2	Capital assets	1,012,379	19,975,000	20,987,379
3	Minimum amount payable adjustment	<u>0</u>	<u>1,005,347</u>	<u>1,005,347</u>
4	Total all funds	\$96,559,844	\$26,667,046	\$123,226,890
5	Less estimated income	<u>60,845,052</u>	<u>22,614,567</u>	<u>83,459,619</u>
6	Total general fund	\$35,714,792	\$4,052,479	\$39,767,271
7	Full-time equivalent positions	311.61	2.34	313.95

8 Subdivision 8.

9 DICKINSON STATE UNIVERSITY

10			Adjustments or	
11		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12	Operations	\$50,826,060	\$5,244,442	\$56,070,502
13	Capital assets	<u>409,078</u>	<u>20,600,000</u>	<u>21,009,078</u>
14	Total all funds	\$51,235,138	\$25,844,442	\$77,079,580
15	Less estimated income	<u>30,992,408</u>	<u>20,685,562</u>	<u>51,677,970</u>
16	Total general fund	\$20,242,730	\$5,158,880	\$25,401,610
17	Full-time equivalent positions	175.50	2.50	178.00

18 Subdivision 9.

19 MAYVILLE STATE UNIVERSITY

20			Adjustments or	
21		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
22	Operations	\$50,603,276	\$6,818,561	\$57,421,837
23	Capital assets	<u>358,992</u>	<u>17,330,087</u>	<u>17,689,079</u>
24	Total all funds	\$50,962,268	\$24,148,648	\$75,110,916
25	Less estimated income	<u>32,282,440</u>	<u>19,379,666</u>	<u>51,662,106</u>
26	Total general fund	\$18,679,828	\$4,768,982	\$23,448,810
27	Full-time equivalent positions	230.35	(3.43)	226.92

28 Subdivision 10.

29 MINOT STATE UNIVERSITY

30			Adjustments or	
31		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

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1	Operations	\$104,154,777	\$10,794,119	\$114,948,896
2	Capital assets	<u>1,099,620</u>	<u>7,865,000</u>	<u>8,964,620</u>
3	Total all funds	\$105,254,397	\$18,659,119	\$123,913,516
4	Less estimated income	<u>64,047,767</u>	<u>10,588,652</u>	<u>74,636,419</u>
5	Total general fund	\$41,206,630	\$8,070,467	\$49,277,097
6	Full-time equivalent positions	403.04	20.59	423.63
7	Subdivision 11.			

VALLEY CITY STATE UNIVERSITY

9			Adjustments or	
10		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
11	Operations	\$50,083,400	\$5,135,290	\$55,218,690
12	Capital assets	<u>455,823</u>	<u>35,500,000</u>	<u>35,955,823</u>
13	Total all funds	\$50,539,223	\$40,635,290	\$91,174,513
14	Less estimated income	<u>26,377,846</u>	<u>37,184,575</u>	<u>63,562,421</u>
15	Total general fund	\$24,161,377	\$3,450,715	\$27,612,092
16	Full-time equivalent positions	202.77	9.17	211.94
17	Subdivision 12.			

DAKOTA COLLEGE AT BOTTINEAU

19			Adjustments or	
20		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
21	Operations	\$23,640,055	\$2,227,163	\$25,867,218
22	Capital assets	<u>114,007</u>	<u>5,300,000</u>	<u>5,414,007</u>
23	Total all funds	\$23,754,062	\$7,527,163	\$31,281,225
24	Less estimated income	<u>14,216,200</u>	<u>5,934,747</u>	<u>20,150,947</u>
25	Total general fund	\$9,537,862	\$1,592,416	\$11,130,278
26	Full-time equivalent positions	91.86	(7.86)	84.00
27	Subdivision 13.			

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

29			Adjustments or	
30		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
31	Operations	\$218,253,058	\$19,850,819	\$238,103,877

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1	Healthcare workforce initiative	<u>10,676,150</u>	<u>0</u>	<u>10,676,150</u>
2	Total all funds	\$228,929,208	\$19,850,819	\$248,780,027
3	Less estimated income	<u>160,806,249</u>	<u>7,107,862</u>	<u>167,914,111</u>
4	Total general fund	\$68,122,959	\$12,742,957	\$80,865,916
5	Full-time equivalent positions	492.67	(3.84)	488.83

6 Subdivision 14.

7 NORTH DAKOTA FOREST SERVICE

8			Adjustments or	
9		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
10	Operations	\$15,343,065	\$9,318,100	\$24,661,165
11	Capital assets	<u>118,728</u>	<u>0</u>	<u>118,728</u>
12	Total all funds	\$15,461,793	\$9,318,100	\$24,779,893
13	Less estimated income	<u>10,669,315</u>	<u>8,471,957</u>	<u>19,141,272</u>
14	Total general fund	\$4,792,478	\$846,143	\$5,638,621
15	Full-time equivalent positions	28.00	1.00	29.00

16 Subdivision 15.

17 TOTAL - SECTION 1

18			Adjustments or	
19		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20	Grand total general fund	\$686,328,526	\$162,915,240	\$849,243,766
21	Grand total special funds	<u>1,926,770,039</u>	<u>509,003,468</u>	<u>2,435,773,507</u>
22	Grand total all funds	\$2,613,098,565	\$671,918,708	\$3,285,017,273

23 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

24 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect one-time funding

25 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the

26 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

27	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
28	Capital projects - strategic investment and improvements	\$0	\$209,976,971
29	fund		
30	Capital project inflation - general fund	0	18,160,000
31	Capital projects - other funds	4,363,000	201,747,055

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1	University of North Dakota national security initiative	0	9,000,000
2	North Dakota state university additional minimum amount	0	4,800,000
3	payable adjustment		
4	North Dakota state college of science additional minimum	0	1,005,347
5	amount payable adjustment		
6	Mayville state university discretionary funding	0	1,750,000
7	Bismarck state college polytechnic building and transition	38,000,000	0
8	University of North Dakota space command initiative	4,000,000	0
9	University of North Dakota airport apron	5,000,000	0
10	University of North Dakota Merrifield hall	50,000,000	0
11	University of North Dakota space education and research	10,000,000	0
12	North Dakota state university settlement agreement	125,000	0
13	North Dakota state university high-performance computing	1,600,000	0
14	North Dakota state university agricultural products	50,000,000	0
15	development center		
16	Dickinson state university Pulver hall and other projects	4,000,000	0
17	Mayville state university natural gas boiler project	1,600,000	0
18	Minot state university Hartnett hall	25,000,000	0
19	Valley City state university land purchase	309,000	0
20	Hyperbaric oxygen therapy	2,104,121	0
21	Math pathways	150,000	0
22	Higher education challenge grants	11,150,000	20,000,000
23	Dakota digital academy	475,000	450,000
24	Financial aid software	<u>0</u>	<u>1,669,354</u>
25	Total all funds	\$207,876,121	\$468,558,727
26	Total other funds	<u>190,851,121</u>	<u>411,724,026</u>
27	Total general fund	\$17,025,000	\$56,834,701

28 The 2023-25 one-time funding amounts are not a part of the entity's base budget for the  
 29 2025-27 biennium. The state board of higher education shall report to the appropriations  
 30 committees of the sixty-ninth legislative assembly on the use of this one-time funding for the  
 31 biennium beginning July 1, 2023, and ending June 30, 2025.



1       **SECTION 3. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS -**

2       **APPROPRIATION - EXEMPTION.** All funds, in addition to those appropriated in section 1 of  
3 this Act, from federal, private, and other sources for competitive grants or other funds that the  
4 legislative assembly has not indicated the intent to reject, including tuition revenue, received by  
5 the state board of higher education and the institutions and entities under the control of the  
6 state board of higher education, are appropriated to the board and those institutions and  
7 entities, for the biennium beginning July 1, 2023, and ending June 30, 2025. All additional funds  
8 received under the North Dakota-Minnesota reciprocity agreement during the biennium  
9 beginning July 1, 2023, and ending June 30, 2025, are appropriated to the state board of higher  
10 education for reimbursement to institutions under the control of the board. Notwithstanding  
11 section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts  
12 appropriated in section 1 of this Act may spend those funds for the capital project.

13       **SECTION 4. USE OF EXTRAORDINARY REPAIRS FUNDING - MATCHING FUNDS.** The  
14 capital assets line items in subdivisions 2 through 12 of section 1 of this Act include funding  
15 from the general fund for institution extraordinary repairs. An institution, excluding the university  
16 of North Dakota and North Dakota state university, shall provide one dollar of matching funds  
17 from operations or other sources for each one dollar of extraordinary repairs funding used for a  
18 project. The university of North Dakota and North Dakota state university shall provide two  
19 dollars of matching funds from operations or other sources for each one dollar of extraordinary  
20 repairs funding used for a project.

21       **SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**

22       **FUND.** The grand total special funds line item in subdivision 15 of section 1 of this Act includes  
23 \$209,976,971 from the strategic investment and improvements fund for capital projects as  
24 follows:

25 Williston state college medical healthcare building	\$27,962,053
26 University of North Dakota science, engineering, and national security corridor	57,400,000
27 North Dakota state university center for engineering and computational sciences	59,000,000
28 North Dakota state college of science agriculture, automation, and autonomous 29 systems	18,975,000
30 Dickinson state university agriculture and technical education building	17,100,000
31 Mayville state university old main renovation	15,000,000

1	Minot state university Dakota hall demolition	765,000
2	Valley City state university McCarthy hall renovation	10,474,918
3	Dakota college at Bottineau old main renovation	<u>3,300,000</u>
4	Total strategic investment and improvements fund	\$209,976,971

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

12       **SECTION 7. TRANSFER - BANK OF NORTH DAKOTA PROFITS - STATE BOARD OF**  
13 **HIGHER EDUCATION SCHOLARSHIPS.** The industrial commission shall transfer to the North  
14 Dakota university system office a total of \$1,500,000 from the current earnings and  
15 accumulated undivided profits of the Bank of North Dakota during the biennium beginning  
16 July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education.  
17 The estimated income line item in subdivision 1 of section 1 includes \$1,500,000 for the North  
18 Dakota university system office for dual-credit tuition scholarships.

19       **SECTION 8. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED**  
20 **WORKFORCE STUDENT LOAN REPAYMENT PROGRAM FUND.** The industrial commission  
21 shall transfer the sum of \$3,400,000 from the current earnings and accumulated undivided  
22 profits of the Bank of North Dakota to the skilled workforce student loan repayment program  
23 fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

24       **SECTION 9. TRANSFER - BANK OF NORTH DAKOTA PROFITS - SKILLED**  
25 **WORKFORCE SCHOLARSHIP FUND.** The industrial commission shall transfer the sum of  
26 \$3,400,000 from the current earnings and accumulated undivided profits of the Bank of North  
27 Dakota to the skilled workforce scholarship fund during the biennium beginning July 1, 2023,  
28 and ending June 30, 2025.

29       **SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER -**  
30 **STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION**  
31 **RESEARCH FUND.** The office of management and budget shall transfer \$5,500,000 from the

1 strategic investment and improvements fund to the economic diversification research fund, the  
2 sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to  
3 institutions under the control of the state board of higher education, for the biennium beginning  
4 July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education.

5 **SECTION 11. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**  
6 **UNIVERSITY SYSTEM CAPITAL BUILDING FUND.** The office of management and budget  
7 shall transfer \$24,000,000 from the strategic investment and improvements fund to the  
8 university system capital building fund during the period beginning with the effective date of this  
9 Act, and ending June 30, 2025, as requested by the commissioner of higher education. Funding  
10 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>
11 Bismarck state college	\$638,540	\$500,000	\$1,138,540
12 Lake Region state college	266,062	500,000	766,062
13 Williston state college	206,920	500,000	706,920
14 University of North Dakota	6,542,702	2,250,000	8,792,702
15 North Dakota state university	4,349,394	2,250,000	6,599,394
16 North Dakota state college of science	751,042	500,000	1,251,042
17 Dickinson state university	403,293	500,000	903,293
18 Mayville state university	360,044	500,000	860,044
19 Minot state university	859,202	500,000	1,359,202
20 Valley City state university	463,705	500,000	963,705
21 Dakota college at Bottineau	<u>159,096</u>	<u>500,000</u>	<u>659,096</u>
22 Total	\$15,000,000	\$9,000,000	\$24,000,000

23  
24 **SECTION 12. CAPITAL BUILDING FUNDS - USES.** The institutions listed may use funding  
25 from the respective institution's university system capital building fund allocation for the  
26 following projects authorized by the sixty-eighth legislative assembly:

27 Bismarck state college polytechnic project inflation	\$12,400,000
28 Lake region state college wind turbine gearbox replacement and parking lot 29 repairs	1,000,000
30 Williston state college medical healthcare building	36,600,000
31 University of North Dakota science, engineering, and national security corridor	82,000,000

1	University of North Dakota Merrifield hall and Twamley hall project inflation	12,500,000
2	North Dakota state university center for engineering and computational sciences	84,000,000
3	North Dakota state college of science agriculture, automation, and autonomous	19,975,000
4	systems	
5	Dickinson state university agriculture and technical education building	18,000,000
6	Dickinson state university generator and project inflation	2,600,000
7	Mayville state university old main renovation	49,970,100
8	Minot state university Hartnett hall project inflation	4,000,000
9	Valley City state university McCarthy hall renovation	13,500,000
10	Dakota college at Bottineau old main renovation	<u>5,300,000</u>
11	Total	\$341,845,100

12       **SECTION 13. MAYVILLE STATE UNIVERSITY - OLD MAIN PROJECT - LOAN**

13 **AUTHORIZATION.** The legislative assembly authorizes the Mayville state university old main  
14 renovation project to be funded in two phases as provided under this section. The capital assets  
15 line item in subdivision 9 of section 1 of this Act includes the sum of \$17,330,087, or so much of  
16 the sum as may be necessary, for phase 1 of the project. During the biennium beginning July 1,  
17 2023, and ending June 30, 2025, and continuing into the biennium beginning July 1, 2025, and  
18 ending June 30, 2027, the state board of higher education may borrow the sum of \$34,924,814,  
19 or so much of the sum as may be necessary, from the Bank of North Dakota for completion of  
20 phase 2 of the Mayville state university old main renovation project. The state board of higher  
21 education shall seek funding from the sixty-ninth legislative assembly to repay the loan  
22 authorized under this section.

23       **SECTION 14. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE**  
24 **INTENT.**

- 25       1. An institution must have pledged local matching funds allocated to a project prior to  
26       expending any funding from the strategic investment and improvements fund for the  
27       project.
- 28       2. If an institution is unable to provide the appropriated amount of matching funds for a  
29       capital project provided for in this Act, the institution may only spend a proportional  
30       amount of funding from the strategic investment and improvements fund for the  
31       project. If an institution is unable to provide necessary matching funds by June 30,

1           2027, to complete the project in whole or in part, the appropriation from the strategic  
2           investment and improvements fund must be canceled.

3           3. It is the intent of the sixty-eighth legislative assembly that any inflationary or other  
4           costs associated with previously approved projects must be paid from the institution's  
5           local funds or the institution's allocation in the university system capital building fund.

6           **SECTION 15. CAMPUS CAPITAL PROJECTS - PROJECT MANAGEMENT.** During the  
7           biennium beginning July 1, 2023, and ending June 30, 2025, each capital project authorized by  
8           the state board of higher education must have adequate project management oversight by  
9           either an institution official or a representative of an external entity. An institution may seek  
10          assistance from the university system office for project management oversight of a capital  
11          project.

12          **SECTION 16.** A new section to chapter 6-09 of the North Dakota Century Code is created  
13          and enacted as follows:

14          **Economic diversification research fund - Report to legislative management.**

15          1. There is created in the state treasury the economic diversification research fund. The  
16          fund consists of all moneys deposited in or transferred to the fund pursuant to  
17          legislative action. Moneys in the fund may be spent by the Bank of North Dakota  
18          pursuant to legislative appropriations to provide grants to institutions under the control  
19          of the state board of higher education for economic diversification research.

20          2. In consultation with representatives of North Dakota state university and the university  
21          of North Dakota, the Bank, in consultation with the state board of higher education,  
22          shall award grants to institutions under the control of the state board of higher  
23          education. The sum of five million dollars must be awarded to North Dakota state  
24          university and the university of North Dakota with equal amounts awarded to each  
25          institution. The remaining funding must be awarded to the other institutions under the  
26          control of the state board of higher education, as determined by the board. The state  
27          board of higher education may not award more than fifty percent of the available  
28          funding during the first year of the biennium. The Bank of North Dakota shall distribute  
29          the grant funding as awarded by the state board of higher education.

30          3. The state board of higher education shall develop guidelines for the economic  
31          diversification research grants. The purpose of the grants is to stimulate economic

1 activity across the state through innovation of new technology, concepts, and  
2 products; to promote job creation and career and wage growth; to enhance health care  
3 outcomes; to address loss of revenue and jobs in communities with economies that  
4 depend primarily on the fossil fuel industry; and to provide experiential learning  
5 opportunities for students. Research projects may be initiated by an institution under  
6 the control of the state board of higher education or by the private sector. The  
7 guidelines must include consideration for research projects with matching funds and  
8 provisions for grant oversight by an internal advisory committee and an external  
9 advisory committee.

- 10 4. The state board of higher education shall develop reporting requirements for the  
11 institutions under the control of the board. The reporting requirements must include  
12 criteria for assessing performance outcomes related to the grants. The state board of  
13 higher education shall compile the reports and submit a comprehensive report  
14 annually to the legislative management. The comprehensive report must include  
15 information on how the research efforts by each institution align with the state's  
16 priorities, how the institutions collaborate when appropriate, and how the outcomes of  
17 the research meet established performance expectations.

18 **SECTION 17.** A new section to chapter 15-10 of the North Dakota Century Code is created  
19 and enacted as follows:

20 **State commissioner of higher education - Higher education trends - Report to**  
21 **legislative management.**

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

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

1        **Disclosure of financial condition.**

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

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

11        **Campus policies and procedures.**

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

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

19        **Larry C. Skogen polytechnic institute.**

20        The polytechnic center constructed on the campus of Bismarck state college is officially  
21 named the Larry C. Skogen polytechnic institute.

22        **SECTION 21. AMENDMENT.** Section 15-10-38.1 of the North Dakota Century Code is  
23 amended and reenacted as follows:

24        **15-10-38.1. Skilled workforce student loan repayment program - Skilled workforce**  
25 **student loan repayment program fund - Continuing appropriation - Report. (Repealed-**  
26 **effective July 1, 2023)**

27        1. There is created in the state treasury the skilled workforce student loan repayment  
28        program fund. The fund consists of moneys transferred into the fund by the legislative  
29        assembly, matching funds received, and loan repayments. Moneys in the fund are  
30        appropriated to the state board of higher education on a continuing basis for the  
31        purpose of distributing student loan repayment grants directly to the Bank of North

- 1 Dakota or other participating lender to repay outstanding student loan principal  
2 balances for eligible applicants. The state board of higher education may transfer  
3 money between this fund and the skilled workforce scholarship fund established in  
4 section 15-10-38.2.
- 5 2. The state board of higher education shall adopt policies and procedures to develop,  
6 implement, promote, and administer a skilled workforce student loan repayment  
7 program in cooperation with the Bank of North Dakota and the North Dakota workforce  
8 development council with the intent of attracting and retaining individuals for  
9 professional or technical skills in high demand in this state.
- 10 3. The North Dakota workforce development council in cooperation with job service North  
11 Dakota shall use available labor market information to determine annually the eligible  
12 high-demand professional and technical skills and emerging occupations in this state.
- 13 4. Graduates of degree or certificate programs from institutions or entities in any state  
14 may apply for the skilled workforce student loan repayment program. To be eligible to  
15 receive student loan repayment grants under the program, the applicant:
- 16 a. Must have successfully completed an educational program from an institution of  
17 higher education;
- 18 b. Must have a student loan with the Bank of North Dakota or other participating  
19 lender;
- 20 c. Following completion of an educational program, must reside and work in this  
21 state in an eligible high-demand or emerging occupation; and
- 22 d. Must have met and shall continue to meet any requirements established in  
23 applicable state board of higher education procedures.
- 24 5. The state board of higher education shall adopt procedures to ensure compliance with  
25 residency and occupation requirements after completion of the educational program.
- 26 6. The state board of higher education shall distribute student loan repayment grants  
27 from the skilled workforce student loan repayment program fund directly to the Bank of  
28 North Dakota or other participating lender to repay outstanding student loan principal  
29 balances for eligible applicants. The maximum annual student loan repayment grant  
30 amount for which an applicant may qualify is five thousand six hundred sixty-seven  
31 dollars, or one-third of the applicant's outstanding student loan principal balance upon



1 initial application for the program, whichever is less. The maximum total student loan  
2 repayment grant amount for which any applicant may qualify is seventeen thousand  
3 dollars.

4 7. If an individual is receiving loan forgiveness under any other state program, the  
5 individual may not receive a student loan repayment grant under this section during  
6 the same application year. ~~An individual who received a skilled workforce scholarship~~  
7 ~~under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~

8 8. An individual may receive a combined total of no more than seventeen thousand  
9 dollars under this section and the skilled workforce scholarship program under section  
10 15-10-38.2.

11 9. ~~The skilled workforce student loan repayment program must be a joint public and~~  
12 ~~private effort.~~ The state board of higher education shall provide one dollar of funding  
13 for each one dollar of ~~funding~~funds raised from the private sector or other public  
14 sources. Any matching funds received must be deposited in the skilled workforce  
15 student loan repayment program fund.

16 10. The state board of higher education shall provide a biennial program report to the  
17 legislative management by September first of each even-numbered year. The report  
18 must include information regarding:

19 a. The eligible high-demand professional and technical skills and emerging  
20 occupations;

21 b. The number of applicants, eligible applicants, and applicants receiving awards;

22 c. The amount of ~~private funding~~matching funds raised; and

23 d. The average and total amounts awarded under the program.

24 **SECTION 22. AMENDMENT.** Section 15-10-38.2 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **15-10-38.2. Skilled workforce scholarship program - Skilled workforce scholarship**  
27 **fund - Continuing appropriation - Report. (~~Repealed effective July 1, 2023~~)**

28 1. There is created in the state treasury the skilled workforce scholarship fund. The fund  
29 consists of moneys transferred into the fund by the legislative assembly, matching  
30 funds received, and scholarship repayments. Moneys in the fund are appropriated to  
31 the state board of higher education on a continuing basis for the purpose of providing

1 grants to institutions of higher education related to skilled workforce scholarships.  
2 Institutions of higher education include institutions under the control of the state board  
3 of higher education, North Dakota nonpublic accredited institutions of higher  
4 education, tribally controlled community colleges, state-approved educator training  
5 programs, and North Dakota institutions approved to operate by the North Dakota  
6 board of career and technical education. The state board of higher education may  
7 transfer money between this fund and the skilled workforce student loan repayment  
8 program fund established in section 15-10-38.1.

- 9 2. The state board of higher education shall adopt policies and procedures to develop,  
10 implement, promote, and administer a skilled workforce scholarship program in  
11 cooperation with the Bank of North Dakota and the North Dakota workforce  
12 development council with the intent of attracting and retaining individuals for  
13 professional or technical skills in high demand in this state.
- 14 3. The North Dakota workforce development council in cooperation with job service North  
15 Dakota shall use available labor market information to determine annually the eligible  
16 high-demand professional and technical skills and emerging occupations in this state.
- 17 4. The state board of higher education and the workforce development council shall  
18 compile a list of qualifying educational programs annually. A qualifying educational  
19 program is a program resulting in attainment of an associate's degree or lower  
20 credential ~~upon successful completion of~~ a program that may be completed within four  
21 semesters ~~or~~, six quarters, or the final two years of a baccalaureate program. A  
22 qualifying educational program also must pertain to the professional and technical  
23 skills and emerging occupations in high demand in this state, as determined under  
24 subsection 3. Qualifying educational programs may include degree or certificate  
25 programs.
- 26 5. Individuals enrolled in a qualifying educational program in this state may apply for a  
27 scholarship under this section. Scholarships are limited to the amount charged each  
28 quarter, semester, or term by the educational institution for the tuition, fees, books, and  
29 supplies required for the qualifying educational program. The scholarships are  
30 intended to supplement any other scholarship or financial aid grant received by a  
31 student to assist the student with the costs of the qualifying educational program. An

1 individual may not receive a combined total exceeding seventeen thousand dollars  
2 under this section and the skilled workforce loan repayment program under section  
3 15-10-38.1.

4 6. To be eligible for a scholarship and payment under this section, a student must be  
5 enrolled full time in an eligible program and have at least a 2.5 cumulative grade point  
6 average, based on a 4.0 grading system, or maintain academic progress in the  
7 program according to program requirements. A student may not receive scholarships  
8 under this section for more than the equivalent of four semesters of full-time  
9 enrollment or six quarters of full-time enrollment.

10 7. Upon completion of a qualifying educational program, a student who received a  
11 scholarship under this section must reside and work in this state in an eligible  
12 high-demand or emerging occupation for a minimum of three years.

13 8. An individual shall repay the scholarship pursuant to the terms in the individual's  
14 scholarship award agreement if the individual fails to maintain either a 2.5 cumulative  
15 grade point average or academic progress according to program requirements while  
16 enrolled, withdraws voluntarily or involuntarily before the completion of the program for  
17 which a scholarship has been received, or fails to reside and work in this state in an  
18 eligible high-demand or emerging occupation for at least three years following degree  
19 or certificate completion.

20 9. The state board of higher education, in conjunction with the Bank of North Dakota,  
21 may allow an individual who received payment under this section to delay or cancel  
22 repayment under this section due to financial difficulty, military service, death, or total  
23 disability.

24 10. Each quarter, semester, or term, the state board of higher education shall distribute  
25 grants to institutions of higher education to provide the amounts necessary for the  
26 scholarships awarded to the students enrolled in each institution.

27 ~~11. The skilled workforce scholarship program must be a joint public and private effort.~~  
28 ~~The state board of higher education may distribute grants only to the extent that the~~  
29 ~~private sector has provided one dollar of matching funds for each dollar of funding~~  
30 ~~provided by the state.~~The state board of higher education shall provide one dollar of

1            funding for each one dollar raised from the private sector or other public sources. Any  
2            matching funds received must be deposited in the skilled workforce scholarship fund.

3            12. The state board of higher education shall provide a biennial program report to the  
4            legislative management by September first of each even-numbered year. The report  
5            must include information regarding:

6            a. The eligible high-demand professional and technical skills and emerging  
7            occupations;

8            b. The qualifying educational programs;

9            c. The number of applicants, eligible applicants, and applicants receiving awards;

10           d. The amount of ~~private funding~~matching funds raised; and

11           e. The average and total amounts awarded under the program.

12           **SECTION 23. AMENDMENT.** Section 15-10-38.3 of the North Dakota Century Code is  
13           amended and reenacted as follows:

14           **15-10-38.3. Scholarship and loan forgiveness administrative costs –~~Continuing~~**  
15           **~~appropriation. (Effective through July 31, 2023)~~**

16           The state board of higher education shall retain up to one and one-half percent of any funds  
17           appropriated to the board under subsection 1 of section 15-10-38.1 and subsection 1 of section  
18           15-10-38.2. The retained funds must be used for promotion and administration of the programs  
19           under those sections.

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

25           **SECTION 24. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-48 of the North  
26           Dakota Century Code is amended and reenacted as follows:

27           c. The board may award up to ~~one million seven hundred thousand~~two million  
28           seven hundred thousand dollars in matching grants each to the university of  
29           North Dakota and North Dakota state university; and up to ~~one million five~~  
30           ~~hundred thousand~~two million two hundred thousand dollars in matching grants for  
31           ~~projects at~~to the university of North Dakota school of medicine and health

1                    sciences . Of the amount available to the university of North Dakota, two hundred  
2                    fifty thousand dollars must be awarded for projects dedicated to projects at the  
3                    school of law.

4                    **SECTION 25.** Section 15-10-48.2 of the North Dakota Century Code is created and enacted  
5 as follows:

6                    **Agricultural research and extension - Matching grants - North Dakota state university**  
7 **agricultural experiment station.**

8                    1. a. Subject to legislative appropriations, each biennium the state board of higher  
9                    education shall award one dollar in matching grants for every two dollars raised  
10                    by the institutional foundation of North Dakota state university for projects  
11                    dedicated exclusively to agricultural research and extension at the agricultural  
12                    experiment station. Notwithstanding section 15-10-53, awards under this section  
13                    may be used for endowments, operations, facility repair projects, and new capital  
14                    construction projects.

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

20                    c. The board may award up to two million two hundred thousand dollars in matching  
21                    grants under this section.

22                    d. If the remaining dollars are insufficient to provide a matching grant in the amount  
23                    of one dollar for every two dollars raised by the institutional foundation, the board  
24                    shall award a lesser amount.

25                    2. The state board of higher education shall retain up to one-quarter of one percent of  
26                    any grant awarded under this section to assist with the administrative expenses  
27                    incurred in the grant review process.

28                    **SECTION 26. AMENDMENT.** Subdivision c of subsection 1 of section 15-10-49 of the North  
29 Dakota Century Code is amended and reenacted as follows:

30                    c. The board may award up to:

- 1           (1) ~~Nine hundred fifty thousand~~One million seven hundred thousand dollars  
2           each to Bismarck state college, Minot state university, and the North Dakota  
3           state college of science;
- 4           (2) ~~Seven hundred thousand~~One million one hundred thousand dollars each to  
5           Dickinson state university, Mayville state university, and Valley City state  
6           university; and
- 7           (3) ~~Three hundred fifty thousand~~Six hundred thousand dollars each to Dakota  
8           college at Bottineau, Lake Region state college, and Williston state college.

9           **SECTION 27. AMENDMENT.** Subsection 2 of section 15-10-49 of the North Dakota  
10 Century Code is amended and reenacted as follows:

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

28         **SECTION 28. AMENDMENT.** Section 15-10-57 of the North Dakota Century Code is  
29 amended and reenacted as follows:

1       **15-10-57. Unified workforce, vocational, and technical education program system.**

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

9       **SECTION 29. AMENDMENT.** Section 15-10-63 of the North Dakota Century Code is  
10 amended and reenacted as follows:

11       **15-10-63. Capital projects.**

- 12       1. The university of North Dakota and North Dakota state university shall identify other  
13 funds from gifts, grants, donations, the university system capital building fund, or other  
14 local funds for at least thirty percent of the total estimated cost of a capital project  
15 request submitted to the legislative assembly.
- 16       2. Bismarck state college, lake region state college, Williston state college, the North  
17 Dakota state college of science, Dickinson state university, Mayville state university,  
18 Minot state university, Valley City state university, and Dakota college at Bottineau  
19 shall identify other funds from gifts, grants, donations, the university system capital  
20 building fund, or other local funds for at least five percent of the total estimated cost of  
21 a capital project request submitted to the legislative assembly.
- 22       3. An institution under the control of the state board of higher education may undertake a  
23 facility renovation project only if the project will reduce the deferred maintenance  
24 amount of the facility by no less than seventy five percent of the total cost of the  
25 renovation. The institution shall maintain documentation that demonstrates the cost  
26 and scope of the deferred maintenance reduction that results directly from the  
27 renovation. This subsection does not apply to projects undertaken solely to correct  
28 building code deficiencies or to installations of infrastructure determined by the board  
29 to be essential to the mission of the institution.

1     ~~2.4.~~ Facility construction and renovation projects undertaken by an institution under the  
2             control of the state board of higher education must conform to campus master plan  
3             and space utilization requirements approved by the state board of higher education.

4             **SECTION 30. AMENDMENT.** Subdivision k of subsection 1 of section 15-18.2-02 of the  
5 North Dakota Century Code is amended and reenacted as follows:

6             k. The ~~factors~~factor for credits completed in career and technical education are:  
7                 (1) ~~3.0 for lower division credits; and~~  
8                 (2) ~~5.0 for upper division credits~~is 5.0.

9             **SECTION 31. AMENDMENT.** Subsection 1 of section 15-18.2-05 of the North Dakota  
10 Century Code is amended and reenacted as follows:

11             1. Except as provided under subsections 2 and 3, to determine the state aid payment to  
12             which each institution under its control is entitled, the state board of higher education  
13             shall multiply the product determined under section 15-18.2-03 by a base amount of:  
14             a. ~~\$61.84~~\$73.15 in the case of North Dakota state university and the university of  
15                 North Dakota;  
16             b. ~~\$92.60~~\$103.76 in the case of Dickinson state university, Mayville state university,  
17                 Minot state university, and Valley City state university; and  
18             c. ~~\$98.84~~\$110.38 in the case of Bismarck state college, Dakota college at  
19                 Bottineau, Lake Region state college, North Dakota state college of science, and  
20                 Williston state college.

21             **SECTION 32.** Section 15-18.2-06.1 of the North Dakota Century Code is created and  
22 enacted as follows:

23             **Base funding - Minimum amount payable.**

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

27             **SECTION 33. AMENDMENT.** Section 15-54.1-02 of the North Dakota Century Code is  
28 amended and reenacted as follows:

29             **15-54.1-02. Capital building funds - Uses - Reports.**

30             Subject to tier II and tier III capital building fund matching requirements under this chapter,  
31 each institution may use its allocation of funds from the university system capital building fund



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

12 **SECTION 34. AMENDMENT.** Subsection 1 of section 15-62.4-03 of the North Dakota  
13 Century Code is amended and reenacted as follows:

- 14 1. The state board of higher education shall provide to each eligible student a financial  
15 assistance grant in an amount not exceeding:
- 16 a. One thousand ~~one hundred~~ three hundred seventy-five dollars per semester; or
  - 17 b. ~~Seven hundred thirty-three~~ Nine hundred seventeen dollars per quarter.

18 **SECTION 35. AMENDMENT.** Subdivision c of subsection 2 of section 54-07-12 of the North  
19 Dakota Century Code is amended and reenacted as follows:

- 20 c. The private entity agrees to donate ten million dollars from the one hundred  
21 million dollars identified in subsection 1 to a higher education institution  
22 foundation in North Dakota, of which two million dollars is for the purpose of  
23 creating an endowment to digitize ~~digitized~~ documents relating to Theodore  
24 Roosevelt and eight million dollars is for the purpose of creating an endowment  
25 for the creation of ~~purpose of digitizing documents relating to Theodore Roosevelt~~  
26 and for creating a Theodore Roosevelt conservation scholars program and  
27 related academic mission at a North Dakota higher education institution in  
28 collaboration with the private entity; and

29 **SECTION 36. AMENDMENT.** Section 54-44.1-11 of the North Dakota Century Code is  
30 amended and reenacted as follows:

1           **54-44.1-11. Office of management and budget to cancel unexpended appropriations -**  
2 **When they may continue. (Effective through July 31, 20232025)**

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

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

28           **Office of management and budget to cancel unexpended appropriations - When they**  
29 **may continue. (Effective after July 31, 20232025)** The office of management and budget,  
30 thirty days after the close of each biennial period, shall cancel all unexpended appropriations or  
31 balances of appropriations after the expiration of the biennial period during which they became

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

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

20 **SECTION 37. REPEAL.** Sections 15-10-48.1 and 15-10-58 of the North Dakota Century  
21 Code are repealed.

22 **SECTION 38. EXEMPTION - TRANSFER AUTHORITY - LEGISLATIVE MANAGEMENT**  
23 **REPORT.** Notwithstanding section 54-16-04, the office of management and budget shall  
24 transfer appropriation authority from the operations to the capital assets line items within  
25 subdivisions 2 through 14 of section 1 of this Act as requested by the state board of higher  
26 education for the biennium beginning July 1, 2023, and ending June 30, 2025. The board shall  
27 report any transfer of funds under this section to the legislative management.

28 **SECTION 39. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS.**  
29 Notwithstanding any other provisions of law, the state board of higher education may adjust  
30 full-time equivalent positions as needed, subject to the availability of funds, for institutions and  
31 entities under its control during the biennium beginning July 1, 2023, and ending June 30, 2025.

1 The North Dakota university system shall report any adjustments to the office of management  
2 and budget as part of the submission of the 2025-27 biennium budget request.

3 **SECTION 40. EXEMPTION - CAPITAL BUILDING FUND.** Notwithstanding any matching  
4 requirements in chapter 15-54.1, the following projects are authorized to use funding from the  
5 respective institution's allocation in the university system capital building fund:

6 Lake region state college wind turbine gearbox replacement and parking lot	\$1,000,000
7 repairs	
8 Williston state college medical healthcare building	637,947
9 Mayville state university old main renovation	2,330,087
10 Valley City state university McCarthy hall renovation	1,025,082
11 Dakota college at Bottineau old main renovation	<u>1,000,000</u>
12 Total	\$5,993,116

13 **SECTION 41. EXEMPTION - PROJECT AUTHORIZATIONS.** Any unexpended amounts  
14 remaining from the \$49,900,000 appropriated from the general fund for capital projects at  
15 institutions under the control of the state board of higher education in section 2 of chapter 53 of  
16 the 2019 Session Laws are not subject to section 54-44.1-11 and any unexpended funds from  
17 the appropriations are available to the respective institutions to complete the projects during the  
18 biennium beginning July 1, 2023, and ending June 30, 2025.

19 **SECTION 42. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amounts  
20 appropriated from federal funds derived from the state fiscal recovery fund to the state board of  
21 higher education and institutions under the control of the state board of higher education in  
22 section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session  
23 Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and  
24 programs are available for the projects and programs, including for the Twamley hall project at  
25 the university of North Dakota, during the period beginning with the effective date of this Act,  
26 and ending June 30, 2025.

27 **SECTION 43. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING.** During  
28 the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The  
29 study must include a review of all funding sources relating to dual-credit courses in the state,  
30 including tuition and fees, the higher education funding formula, elementary and secondary  
31 education integrated formula payments, institution scholarships, state scholarships, and the

1 Bank of North Dakota. The study must also include a review of funding for dual-credit courses in  
2 other states. The legislative management shall report its findings and recommendations,  
3 together with any legislation required to implement the recommendations, to the sixty-ninth  
4 legislative assembly.

5 **SECTION 44. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE**

6 **IMPACTS.** During the 2023-24 interim, the legislative management shall consider studying the  
7 emergence of artificial intelligence and the potential impacts on the state's institutions,  
8 agencies, businesses, citizens, and youth. The study must include a review of the effect of  
9 artificial intelligence on the provision of health care, effects on student learning, potential  
10 opportunities or threats to the integrity of state services, the potential impact on electoral  
11 processes, including mitigating action to be taken leading up to the 2024 state elections,  
12 opportunities for state investment or policy changes to promote artificial intelligence businesses,  
13 and cybersecurity implications across all state institutions. The legislative management shall  
14 report its findings and recommendations, together with any legislation required to implement the  
15 recommendations, to the sixty-ninth legislative assembly.

16 **SECTION 45. TUITION RATE INCREASE LIMITATIONS.**

- 17 1. Except as provided in this section, notwithstanding any other provision of law, the state  
18 board of higher education may not increase tuition rates for resident students  
19 attending institutions of higher education under its control during the 2023-24  
20 academic year as compared to the tuition rate in effect during the 2023 spring  
21 semester.
- 22 2. Except as provided in this section, notwithstanding any other provision of law, the state  
23 board of higher education may not increase tuition rates for resident students  
24 attending institutions of higher education under its control during the 2024-25  
25 academic year as compared to the tuition rate in effect during the 2024 spring  
26 semester.
- 27 3. Tuition rates charged for high-cost undergraduate differentiated tuition programs and  
28 for graduate level programs, including programs offered through the university of North  
29 Dakota school of medicine and health sciences, the university of North Dakota school  
30 of law, or the North Dakota state university school of pharmacy, may be increased by

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

18 **SECTION 46. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL**  
19 **PROGRAM CLASSIFICATION FACTORS.** It is the intent of the sixty-eighth legislative  
20 assembly that dental hygienist and dental assistant courses be transferred to the career and  
21 technical education instructional program classification within the higher education funding  
22 formula.

23 **SECTION 47. CAMPUS CAPITAL PROJECTS - 2025-27 BIENNIUM - LEGISLATIVE**  
24 **INTENT.** It is the intent of the sixty-eighth legislative assembly that the sixty-ninth legislative  
25 assembly appropriate funding from state funds or bond proceeds as follows for capital projects,  
26 in addition to any necessary authorization for the use of local matching funds, for the biennium  
27 beginning July 1, 2025, and ending June 30, 2027:

28 University of North Dakota science, technology, engineering, and math building	\$55,640,000
29 Minot state university academic building	8,132,000
30 Mayville state university old main renovation or loan repayment	<u>34,924,814</u>
31 Total legislative intent	\$98,696,814

- 1       **SECTION 48. EMERGENCY.** Sections 5, 11, 12, 14, 34, 40, 42, and the capital assets line  
2 items in section 1 of this Act are declared to be an emergency measure.