

**Sixty-eighth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2023**

HOUSE BILL NO. 1003
(Appropriations Committee)

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

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 state board of higher education and to the entities and institutions under the supervision of the board for the purpose of defraying the expenses of the state board of higher education and the entities and institutions under the control of the board, for the period beginning with the effective date of this Act, and ending June 30, 2025, as follows:

Subdivision 1.

NORTH DAKOTA UNIVERSITY SYSTEM

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Capital assets - bond payments	\$13,385,264	(\$2,187,368)	\$11,197,896
Competitive research programs	5,685,750	0	5,685,750
System governance	8,605,570	3,241,239	11,846,809
Core technology services	62,962,817	8,081,654	71,044,471
Student financial assistance grants	23,917,306	6,000,000	29,917,306
Professional student exchange program	3,699,342	0	3,699,342
Academic and CTE scholarships	16,216,749	1,000,000	17,216,749
Scholars program	1,807,115	0	1,807,115
Native American scholarship	555,323	444,677	1,000,000
Tribally controlled community college grants	1,000,000	400,000	1,400,000

Education incentive programs	260,000	0	260,000
Student mental health	284,400	0	284,400
Veterans' assistance grants	277,875	177,000	454,875
Shared campus services	800,000	0	800,000
Nursing education consortium	1,356,000	0	1,356,000
NASA EPSCoR	342,000	0	342,000
Education challenge fund	0	20,000,000	20,000,000
Dual-credit tuition scholarship	1,500,000	0	1,500,000
Dakota digital academy	0	450,000	450,000
Total all funds	\$142,655,511	\$37,607,202	\$180,262,713
Less estimated income	<u>25,757,035</u>	<u>487,073</u>	<u>26,244,108</u>
Total general fund	\$116,898,476	\$37,120,129	\$154,018,605
Full-time equivalent positions	158.83	4.00	162.83

Subdivision 2.

BISMARCK STATE COLLEGE

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

Subdivision 3.

LAKE REGION STATE COLLEGE

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

Subdivision 4.

WILLISTON STATE COLLEGE

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$34,044,304	\$2,929,048	\$36,973,352
Capital assets	<u>1,261,968</u>	<u>43,913,939</u>	<u>45,175,907</u>
Total all funds	\$35,306,272	\$46,842,987	\$82,149,259
Less estimated income	<u>24,019,535</u>	<u>45,011,392</u>	<u>69,030,927</u>
Total general fund	\$11,286,737	\$1,831,595	\$13,118,332
Full-time equivalent positions	101.29	1.54	102.83

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA

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

Subdivision 6.

NORTH DAKOTA STATE UNIVERSITY

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

Subdivision 7.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

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

Subdivision 8.

DICKINSON STATE UNIVERSITY

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

Subdivision 9.

MAYVILLE STATE UNIVERSITY

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

Subdivision 10.

MINOT STATE UNIVERSITY

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

Subdivision 11.

VALLEY CITY STATE UNIVERSITY

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

Subdivision 12.

DAKOTA COLLEGE AT BOTTINEAU

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

Subdivision 13.

UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Operations	\$218,253,058	\$19,850,819	\$238,103,877
Healthcare workforce initiative	<u>10,676,150</u>	<u>0</u>	<u>10,676,150</u>
Total all funds	\$228,929,208	\$19,850,819	\$248,780,027
Less estimated income	<u>160,806,249</u>	<u>7,107,862</u>	<u>167,914,111</u>

Total general fund	\$68,122,959	\$12,742,957	\$80,865,916
Full-time equivalent positions	492.67	(3.84)	488.83

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

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

Subdivision 15.

TOTAL - SECTION 1

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

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Capital projects - strategic investment and improvements fund	\$0	\$209,976,971
Capital project inflation - general fund	0	18,160,000
Capital projects - other funds	4,363,000	201,747,055
University of North Dakota national security initiative	0	9,000,000
North Dakota state university additional minimum amount payable adjustment	0	4,800,000
North Dakota state college of science additional minimum amount payable adjustment	0	1,005,347
Mayville state university discretionary funding	0	1,750,000
Bismarck state college polytechnic building and transition	38,000,000	0
University of North Dakota space command initiative	4,000,000	0
University of North Dakota airport apron	5,000,000	0
University of North Dakota Merrifield hall	50,000,000	0
University of North Dakota space education and research	10,000,000	0
North Dakota state university settlement agreement	125,000	0
North Dakota state university high-performance computing	1,600,000	0
North Dakota state university agricultural products development center	50,000,000	0
Dickinson state university Pulver hall and other projects	4,000,000	0
Mayville state university natural gas boiler project	1,600,000	0
Minot state university Hartnett hall	25,000,000	0
Valley City state university land purchase	309,000	0
Hyperbaric oxygen therapy	2,104,121	0
Math pathways	150,000	0

Higher education challenge grants	11,150,000	20,000,000
Dakota digital academy	475,000	450,000
Financial aid software	0	1,669,354
Total all funds	\$207,876,121	\$468,558,727
Total other funds	190,851,121	411,724,026
Total general fund	\$17,025,000	\$56,834,701

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

SECTION 3. ADDITIONAL FEDERAL, PRIVATE, AND OTHER FUNDS - APPROPRIATION - EXEMPTION. 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, 2023, and ending June 30, 2025. All additional funds received under the North Dakota-Minnesota reciprocity agreement during the biennium beginning July 1, 2023, and ending June 30, 2025, are appropriated to the state board of higher education for reimbursement to institutions under the control of the board. Notwithstanding section 48-01.2-25, an institution receiving funds for capital projects in excess of the amounts appropriated in section 1 of this Act may spend those funds for the capital project.

SECTION 4. 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 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The grand total special funds line item in subdivision 15 of section 1 of this Act includes \$209,976,971 from the strategic investment and improvements fund for capital projects as follows:

Williston state college medical health care building	\$27,962,053
University of North Dakota science, engineering, and national security corridor	57,400,000
North Dakota state university center for engineering and computational sciences	59,000,000
North Dakota state college of science agriculture, automation, and autonomous systems	18,975,000
Dickinson state university agriculture and technical education building	17,100,000
Mayville state university old main renovation	15,000,000
Minot state university Dakota hall demolition	765,000
Valley City state university McCarthy hall renovation	10,474,918
Dakota college at Bottineau old main renovation	3,300,000
Total strategic investment and improvements fund	\$209,976,971

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

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

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

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

SECTION 10. APPROPRIATION - BANK OF NORTH DAKOTA - TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ECONOMIC DIVERSIFICATION RESEARCH FUND. The office of management and budget shall transfer \$5,500,000 from the strategic investment and improvements fund to the economic diversification research fund, the sum of which is appropriated to the Bank of North Dakota for the purpose of providing grants to institutions under the control of the state board of higher education, for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the commissioner of higher education.

SECTION 11. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNIVERSITY SYSTEM CAPITAL BUILDING FUND. The office of management and budget shall transfer \$24,000,000 from the strategic investment and improvements fund to the university system capital building fund during the period beginning with the effective date of this Act, and ending June 30, 2025, as requested by the commissioner of higher education. Funding transferred pursuant to this section is to be allocated to each institution as follows:

	<u>Tier II</u>	<u>Tier III</u>	<u>Total</u>
Bismarck state college	\$638,540	\$500,000	\$1,138,540
Lake Region state college	266,062	500,000	766,062
Williston state college	206,920	500,000	706,920
University of North Dakota	6,542,702	2,250,000	8,792,702
North Dakota state university	4,349,394	2,250,000	6,599,394
North Dakota state college of science	751,042	500,000	1,251,042
Dickinson state university	403,293	500,000	903,293
Mayville state university	360,044	500,000	860,044
Minot state university	859,202	500,000	1,359,202
Valley City state university	463,705	500,000	963,705
Dakota college at Bottineau	<u>159,096</u>	<u>500,000</u>	<u>659,096</u>
Total	\$15,000,000	\$9,000,000	\$24,000,000

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

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

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

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

SECTION 14. CAMPUS CAPITAL PROJECTS - PROJECT REQUESTS - LEGISLATIVE INTENT.

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

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

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

Economic diversification research fund - Report to legislative management.

1. There is created in the state treasury the economic diversification research fund. The fund consists of all moneys deposited in or transferred to the fund pursuant to legislative action. Moneys in the fund may be spent by the Bank of North Dakota pursuant to legislative appropriations to provide grants to institutions under the control of the state board of higher education for economic diversification research.
2. In consultation with representatives of North Dakota state university and the university of North Dakota, the Bank, in consultation with the state board of higher education, shall award

grants to institutions under the control of the state board of higher education. The sum of five million dollars must be awarded to North Dakota state university and the university of North Dakota with equal amounts awarded to each institution. The remaining funding must be awarded to the other institutions under the control of the state board of higher education, as determined by the board. The state board of higher education may not award more than fifty percent of the available funding during the first year of the biennium. The Bank of North Dakota shall distribute the grant funding as awarded by the state board of higher education.

3. The state board of higher education shall develop guidelines for the economic diversification research grants. The purpose of the grants is to stimulate economic activity across the state through innovation of new technology, concepts, and products; to promote job creation and career and wage growth; to enhance health care outcomes; to address loss of revenue and jobs in communities with economies that depend primarily on the fossil fuel industry; and to provide experiential learning opportunities for students. Research projects may be initiated by an institution under the control of the state board of higher education or by the private sector. The guidelines must include consideration for research projects with matching funds and provisions for grant oversight by an internal advisory committee and an external advisory committee.
4. The state board of higher education shall develop reporting requirements for the institutions under the control of the board. The reporting requirements must include criteria for assessing performance outcomes related to the grants. The state board of higher education shall compile the reports and submit a comprehensive report annually to the legislative management. The comprehensive report must include information on how the research efforts by each institution align with the state's priorities, how the institutions collaborate when appropriate, and how the outcomes of the research meet established performance expectations.

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

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

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

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

Disclosure of financial condition.

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

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

Campus policies and procedures.

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

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

Larry C. Skogen polytechnic institute.

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

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

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

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

6. The state board of higher education shall distribute student loan repayment grants from the skilled workforce student loan repayment program fund directly to the Bank of North Dakota or other participating lender to repay outstanding student loan principal balances for eligible applicants. The maximum annual student loan repayment grant amount for which an applicant may qualify is five thousand six hundred sixty-seven dollars, or one-third of the applicant's outstanding student loan principal balance upon initial application for the program, whichever is less. The maximum total student loan repayment grant amount for which any applicant may qualify is seventeen thousand dollars.
7. If an individual is receiving loan forgiveness under any other state program, the individual may not receive a student loan repayment grant under this section during the same application year. ~~An individual who received a skilled workforce scholarship under section 15-10-38.2 is not eligible for loan forgiveness under this section.~~
8. An individual may receive a combined total of no more than seventeen thousand dollars under this section and the skilled workforce scholarship program under section 15-10-38.2.
9. ~~The skilled workforce student loan repayment program must be a joint public and private effort.~~ The state board of higher education shall provide one dollar of funding for each one dollar of ~~funding~~funds raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce student loan repayment program fund.
10. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:
 - a. The eligible high-demand professional and technical skills and emerging occupations;
 - b. The number of applicants, eligible applicants, and applicants receiving awards;
 - c. The amount of ~~private funding~~matching funds raised; and
 - d. The average and total amounts awarded under the program.

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

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

1. There is created in the state treasury the skilled workforce scholarship fund. The fund consists of moneys transferred into the fund by the legislative assembly, matching funds received, and scholarship repayments. Moneys in the fund are appropriated to the state board of higher education on a continuing basis for the purpose of providing grants to institutions of higher education related to skilled workforce scholarships. Institutions of higher education include institutions under the control of the state board of higher education, North Dakota nonpublic accredited institutions of higher education, tribally controlled community colleges, state-approved educator training programs, and North Dakota institutions approved to operate by the North Dakota board of career and technical education. The state board of higher education may transfer money between this fund and the skilled workforce student loan repayment program fund established in section 15-10-38.1.
2. The state board of higher education shall adopt policies and procedures to develop, implement, promote, and administer a skilled workforce scholarship program in cooperation with the Bank of North Dakota and the North Dakota workforce development council with the intent of attracting and retaining individuals for professional or technical skills in high demand in this state.

3. The North Dakota workforce development council in cooperation with job service North Dakota shall use available labor market information to determine annually the eligible high-demand professional and technical skills and emerging occupations in this state.
4. The state board of higher education and the workforce development council shall compile a list of qualifying educational programs annually. A qualifying educational program is a program resulting in attainment of an associate's degree or lower credential ~~upon successful completion of a program that may be completed within four semesters or six quarters, or the~~ final two years of a baccalaureate program. A qualifying educational program also must pertain to the professional and technical skills and emerging occupations in high demand in this state, as determined under subsection 3. Qualifying educational programs may include degree or certificate programs.
5. Individuals enrolled in a qualifying educational program in this state may apply for a scholarship under this section. Scholarships are limited to the amount charged each quarter, semester, or term by the educational institution for the tuition, fees, books, and supplies required for the qualifying educational program. The scholarships are intended to supplement any other scholarship or financial aid grant received by a student to assist the student with the costs of the qualifying educational program. An individual may not receive a combined total exceeding seventeen thousand dollars under this section and the skilled workforce loan repayment program under section 15-10-38.1.
6. To be eligible for a scholarship ~~and~~ payment under this section, a student must be enrolled full time in an eligible program and have at least a 2.5 cumulative grade point average, based on a 4.0 grading system, or maintain academic progress in the program according to program requirements. A student may not receive scholarships under this section for more than the equivalent of four semesters of full-time enrollment or six quarters of full-time enrollment.
7. Upon completion of a qualifying educational program, a student who received a scholarship under this section must reside and work in this state in an eligible high-demand or emerging occupation for a minimum of three years.
8. An individual shall repay the scholarship pursuant to the terms in the individual's scholarship award agreement if the individual fails to maintain either a 2.5 cumulative grade point average or academic progress according to program requirements while enrolled, withdraws voluntarily or involuntarily before the completion of the program for which a scholarship has been received, or fails to reside and work in this state in an eligible high-demand or emerging occupation for at least three years following degree or certificate completion.
9. The state board of higher education, in conjunction with the Bank of North Dakota, may allow an individual who received payment under this section to delay or cancel repayment under this section due to financial difficulty, military service, death, or total disability.
10. Each quarter, semester, or term, the state board of higher education shall distribute grants to institutions of higher education to provide the amounts necessary for the scholarships awarded to the students enrolled in each institution.
11. ~~The skilled workforce scholarship program must be a joint public and private effort. The state board of higher education may distribute grants only to the extent that the private sector has provided one dollar of matching funds for each dollar of funding provided by the state. The~~ state board of higher education shall provide one dollar of funding for each one dollar raised from the private sector or other public sources. Any matching funds received must be deposited in the skilled workforce scholarship fund.
12. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information regarding:

- a. The eligible high-demand professional and technical skills and emerging occupations;
- b. The qualifying educational programs;
- c. The number of applicants, eligible applicants, and applicants receiving awards;
- d. The amount of ~~private funding~~matching funds raised; and
- e. The average and total amounts awarded under the program.

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

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

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

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

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

- c. The board may award up to ~~one million seven hundred thousand~~two million seven hundred thousand dollars in matching grants each to the university of North Dakota and North Dakota state university; and up to ~~one million five hundred thousand~~two million two hundred thousand dollars in matching grants for projects ~~at~~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 25. Section 15-10-48.2 of the North Dakota Century Code is created and enacted as follows:

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

1.
 - a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of North Dakota state university for projects dedicated exclusively to agricultural research and extension at the agricultural experiment station. Notwithstanding section 15-10-53, awards under this section may be used for endowments, operations, facility repair projects, and new capital construction projects.
 - b. To be eligible for a matching grant, the institution shall demonstrate:
 - (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and
 - (2) The project has been approved by the grant review committee established in section 15-10-51.

- c. The board may award up to two million two hundred thousand dollars in matching grants under this section.
 - d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process.

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

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

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

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

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

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

The state board of higher education shall establish and maintain a unified system to offer workforce training, vocational education, and technical education programs at institutions under its control. The board shall periodically review programs offered by institutions under its control and revise program

offerings based on the workforce needs of the state identified by the workforce education advisory development council. The board shall develop administrative arrangements that make possible the efficient use of facilities and staff. The board shall limit administrative costs by eliminating duplicative administrative positions.

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

15-10-63. Capital projects.

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

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

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

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

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

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

Base funding - Minimum amount payable.

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

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

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

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

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

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

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

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

SECTION 36. 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, 2023~~2025~~)

Except as otherwise provided by law, the office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state

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

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

Office of management and budget to cancel unexpended appropriations - When they may continue. (Effective after July 31, 2023-2025) The office of management and budget, thirty days after the close of each biennial period, shall cancel all unexpended appropriations or balances of appropriations after the expiration of the biennial period during which they became available under the law. Unexpended appropriations for the state historical society are not subject to this section and the state historical society shall report on the amounts and uses of funds carried over from one biennium to the appropriations committees of the next subsequent legislative assembly. The chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly with the office of the budget may continue appropriations or balances in force for not more than two years after the expiration of the biennial period during which they became available upon recommendation of the director of the budget for:

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

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

SECTION 38. 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, 2023, and ending June 30, 2025. The board shall report any transfer of funds under this section to the legislative management.

SECTION 39. EXEMPTION - 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, 2023, and ending June 30, 2025. The North Dakota university system shall report any adjustments to the office of management and budget as part of the submission of the 2025-27 biennium budget request.

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

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

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

SECTION 42. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND. The amounts appropriated from federal funds derived from the state fiscal recovery fund to the state board of higher education and institutions under the control of the state board of higher education in section 1 of chapter 548 and section 1 of chapter 550 of the 2021 Special Session Session Laws are not subject to section 54-44.1-11 and any unexpended funds from these projects and programs are available for the projects and programs, 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, 2025.

SECTION 43. LEGISLATIVE MANAGEMENT STUDY - DUAL-CREDIT FUNDING. During the 2023-24 interim, the legislative management shall study funding for dual-credit courses. The study must include a review of all funding sources relating to dual-credit courses in the state, including tuition and fees, the higher education funding formula, elementary and secondary education integrated formula payments, institution scholarships, state scholarships, and the Bank of North Dakota. The study must also include a review of funding for dual-credit courses in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 44. LEGISLATIVE MANAGEMENT STUDY - ARTIFICIAL INTELLIGENCE IMPACTS. During the 2023-24 interim, the legislative management shall consider studying the emergence of artificial intelligence and the potential impacts on the state's institutions, agencies, businesses, citizens, and youth. The study must include a review of the effect of artificial intelligence on the provision of health care, effects on student learning, potential opportunities or threats to the integrity of state services, the potential impact on electoral processes, including mitigating action to be taken leading up to the 2024 state elections, opportunities for state investment or policy changes to promote artificial intelligence businesses, and cybersecurity implications across all state institutions. The legislative

management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 45. TUITION RATE INCREASE LIMITATIONS.

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

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

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

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

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

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Sixty-eighth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1003 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 69 Nays 23 Absent 2

Speaker of the House

Chief Clerk of the House

This certifies that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 45 Nays 2 Absent 0

President of the Senate

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2023.

Approved at _____ M. on _____, 2023.

Governor

Filed in this office this _____ day of _____, 2023,
at _____ o'clock _____ M.

Secretary of State