

2005 Legislative Review

2005 Legislative Session Overview - May 2005

Impact of the 2005 Legislative Session

Several key North Dakota University System funding bills were passed in the final days of the 2005 Legislative Session. A summary of these bills and an overview of other 2005 legislation impacting the NDUS follows.



“Overall, the NDUS fared well in the 2005 Legislative Session. But, because parity, equity and several other campus needs were not fully funded, there are significant challenges ahead.”

Robert L. Potts
Chancellor

SB 2003, the primary NDUS budget bill, was approved April 26 and includes a state general fund increase of \$27,678,998 or 7.67 percent when compared to the 2003–05 biennium. The total state general fund appropriation of \$388,507, 893 (not including NDSU ag entities) equals about 19.5 percent of the total state general fund budget. The 2005 NDUS legislative agenda developed by the SBHE and the Chancellor’s Cabinet supported funding of no less than 21 percent of the total general fund appropriation.

Major components of SB 2003 include the following:

- \$16.4 million for parity to cover the cost to continue
- \$3.8 million in funds specifically earmarked for equity by campus and a \$2 million pool for the SBHE to allocate “to address equity at higher education institutions or other campus needs”
- \$1 million for special capital projects at LRSC, MaSU, MiSU VCSU and WSC
- An increase of \$969,060 to \$1.7 million in SBHE initiative funds with \$200,000 specifically earmarked
- \$825,000 for increased campus bandwidth to address network usage growth
- \$475,000 and \$440,000 in increased funding for student financial aid and EPSCoR, respectively

Approved April 22, **SB 2020**, the NDSU Experiment and Extension appropriation, increased by \$5,845,221 or 11.51 percent in comparison to the previous biennium for total 2005–07 funding of \$56,612,187. When combined, SB 2003 and SB 2020 provide an 8.14 percent increase in funding over the current biennium for total NDUS 2005–07 funding of \$445,120,080.

Passed April 22, **SB 2032** establishes the Centers of Excellence program and requires the SBHE to provide administrative support to the Centers of Excellence Commission created by this legislation. Also approved April 22, **SB 2018**, the Department of Commerce budget bill, includes \$15 million for Centers of Excellence, plus an additional \$5 million contingent funding.

Other Key Legislation

Other pertinent bills passed during the 2005 Legislative Session that impact the SBHE and NDUS include:

- **SB 2019**, the Career and Technical Education budget bill, provides \$1.35 million for workforce training.
- **SB 2023**, the major capital project bonding bill, includes \$15,878,111 in state bonding for seven University System projects including the NDSU hazardous material handling and storage facility, NDSCS electrical distribution project, DSU Murphy Hall renovation, MiSU-B

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Thatcher Hall addition, NDSU Main Station research greenhouse complex, NDSU Central Grasslands headquarters office addition and the NDSU North Central agronomy lab and greenhouse. SB 2023 also adds language that an architect and construction manager cannot be the same person/entity on a public project.

- **SB 2034** reduces the number of line items used for state appropriation purposes, thereby giving the campuses flexibility to allocate funds to address high-priority needs (one of three “flexibility with accountability” bills).
- **SB 2035** permits the campuses to retain and manage tuition income in the same manner as all other non-state general funds (one of three “flexibility with accountability” bills).
- **SB 2036** permits carryover of unexpended funds from one biennium to the next (one of three “flexibility with accountability” bills).
- **SB 2077** increases the maximum amount for state grant awards from \$600 to \$1,000.
- **SB 2195** increases reimbursement for meals and lodging from \$4 to \$5 for breakfast, from \$6 to \$7.50 for lunch, from \$10 to \$12.50 for dinner and from \$45 to \$50 for lodging.
- **HB 1015**, the OMB appropriation bill, includes a change in the scope of the LRSC North Hall renovation (with no increase in the project cost) and prohibits a UND medical school performance audit until after completion of its accreditation process during the 2005–07 biennium.
- **HB 1024**, the deficiency appropriations bill, provides \$1.5 million for NDSU and \$371,000 for UND for flood repairs as well as \$617,000 for *ConnectND*.

- **HB 1129** changes the state employee foreign travel meal allowance reimbursement rate to that equal to the federal rate.
- **HB 1364** requires the SBHE to create a new policy relating to faculty and teaching assistants’ communications skills and further requires a report on implementation of this policy to the Legislative Council by July 1, 2006.

Legislatively Mandated Studies

- **SB 2003**: An SBHE review of the Long-Term Finance Plan, including review of peer institutions and the parity and equity model
- **SB 2003**: A Legislative Council interim study of the roundtable recommendations, NDUS goals and objectives, funding mechanisms and accountability (\$175,000 appropriated in SB 2003)
- **SB 2032**: An SBHE study of incentives for stimulating commercialization of new technologies (\$50,000 appropriated in SB 2018)
- **SB 2032**: An Upper Great Plains Transportation Institute transportation study (\$360,000 appropriated in SB 2018)
- **SB 2032**: A Department of Commerce study of the state’s intellectual property laws (in consultation with the SBHE)

For More Information ...

For a comprehensive list of 2005 legislation tracked by the SBHE and the NDUS, click on:

http://www.ndus.nodak.edu/uploads/document-library/540/2005_BILL_TRACKING_FINAL.PDF