Sixty-seventh Legislative Assembly of North Dakota

SECOND DRAFT: Prepared by the Legislative Council staff for the Higher Education Funding Formula Review Committee December 2019

Introduced by

- 1 A BILL for an Act to create and enact section 15-18.2-06.1 of the North Dakota Century Code,
- 2 relating to a higher education funding formula minimum amount payable; to amend and reenact
- 3 subsection 3 of section 15-18.2-03 and section 15-18.2-05 of the North Dakota Century Code,
- 4 relating to the higher education funding formula; to provide for a study; to provide for a report;
- 5 and to provide legislative intent.

6 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

7	SECTION 1. AMENDMENT. Subsection 3 of section 15-18.2-03 of the North Dakota	
8	Century Code is amended and reenacted as follows:	
9	3.	If the number of credit-hours completed by an institution causeswould cause a
10		decrease in the credit completion factor for that institution, the new credit completion-
11		factor shall not be in effect for calculation purposes for the first two fiscal years
12		following the change compared to the credit completion factor the institution was
13		entitled to receive during the 2017-19 biennium, the state board of higher education
14		shall multiply the product determined under section 15-18.2-02 by a credit growth
15		factor of 1.0 for credits in excess of the factor the institution was entitled to receive
16		during the 2017-19 biennium. Any weighted credit-hours multiplied by a credit growth
17		factor under this section must have a weight of 1.0 under section 15-18.2-02. The
18		state board of higher education shall multiply the remaining weighted credits by the
19		credit completion factor the institution was entitled to receive during the 2017-19
20		biennium.
21	SEC	CTION 2. AMENDMENT. Section 15-18.2-05 of the North Dakota Century Code is
22	amende	ed and reenacted as follows:
23	15- [,]	18.2-05. Base funding - Determination of state aid.

24 1. Except as provided under subsection 2, in order to

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1	To determine the state aid payment to which each institution under its control is entitled, the		
2	state board of higher education shall multiply the product determined under section 15-18.2-04		
3	by a base amount of:		
4	a.<u>1.</u>	\$60.87 in the case of North Dakota state university and the university of North Dakota;	
5	b.<u>2.</u>	\$90.98 in the case of Dickinson state university, Mayville state university, Minot state	
6		university, and Valley City state university; and	
7	c.<u>3.</u>	\$97.06 in the case of Bismarck state college, Dakota college at Bottineau, Lake	
8		Region state college, North Dakota state college of science, and Williston state	
9		college.	
10	2.	An institution is entitled to an amount equal to seventy-five percent of the product	
11		determined under subsection 1 for credits completed by students receiving a tuition	
12		waiver pursuant to section 54-12-35.	
13	SECTION 3. Section 15-18.2-06.1 of the North Dakota Century Code is created and		
14	enacted as follows:		
15	<u>15-18.2-06.1. Base funding - Minimum amount payable.</u>		
16	Notwithstanding any calculations required by this chapter, during each biennium beginning		
17	with the 2021-23 biennium, an institution may not receive less than ninety-six percent of the		
18	state aid to which the institution was entitled under this chapter during the previous biennium.		
19	SECTION 4. STATE BOARD OF HIGHER EDUCATION - STUDY OF THE HIGHER		
20	EDUCATION FUNDING FORMULA - REPORT TO THE LEGISLATIVE MANAGEMENT.		
21	During the period beginning July 1, 2021, and ending June 30, 2022, the state board of higher		
22	education shall study the higher education funding formula, including instructional program		
23	classification factors. The state board of higher education shall provide a report to the legislative		
24	management regarding any findings or recommended changes to the funding formula by		
25	June 30, 2022.		
26	SEC	TION 5. LEGISLATIVE INTENT - WEIGHTED CREDIT-HOURS - INSTRUCTIONAL	
27	PROGR	AM CLASSIFICATION FACTORS. It is the intent of the sixty-seventh legislative	
28	assembl	y that veterinary medicine courses remain under the health sciences instructional	
29	program classification within the higher education funding formula. It is further the intent of the		
30	sixty-seventh legislative assembly that computer and information sciences and support services		

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- 1 courses be transferred to the engineering instructional program classification within the higher
- 2 education funding formula.