

# Legislative Review

A Look at Higher Education in Week 3: Jan. 24-28, 2011

## House Appropriations Concludes University System Budget Overview



The State Board of Higher Education is committed to continually improving a system that provides the highest quality education and student success at a cost that is affordable to both the students in the system and the state of North Dakota.

Jon Backes,  
SBHE president  
HB 1003 hearing  
1.24.11

Opening testimony on **HB 1003**, the University System budget bill, was completed Jan. 24 and 25.

The system budget presentation before House Appropriations, Education and Environment Division, concluded with testimony by the NDUS Office Jan. 24, and the NDSU Forest Service and UND School of Medicine and Health Sciences Jan. 25.

Jon Backes, SBHE president, provided introductory comments Jan. 24. He told the committee the State Board of Higher Education believes the University System is the structure that allows the individual institutions to be innovative agents for the diversification of the state's economy and one of the contributors to North Dakota's economic growth.

"The State Board of Higher Education is committed to

continually improving a system that provides the highest quality education and student success at a cost that is affordable to both the students in the system and the state of North Dakota," Backes said.

The committee also heard testimony on **HB 1020**, the NDSU Ag Main Research, Branch Stations and Extension Service, on Jan. 25.

### New Accountability Measures/ Nonclassroom Expense Reduction Bill Heard

**HB 1369**, a bill to add accountability measures related to non-instructional costs and non-resident students, was heard in House Appropriations, Education Division, Jan. 26.

The SBHE opposes this bill. Bill Goetz, NDUS chancellor, testified that the University System maintains its strong commitment to meeting the accountability expectations of the Legislature, however, the six new measures included in this bill could not be objectively assessed because of the lack of comparative data.

HB 1369 also would require the NDUS to reduce nonclassroom expenses by at least the same percentage as tuition rate increases. The chancellor pointed out that nonclassroom expenses include many mission-critical needs, such as libraries, technology and payroll.

No committee action was taken.

### Age 55 Tuition and Fee Waiver Bill Heard

**HB 1385**, a bill to provide free tuition and fees for "mature" students, was heard in House Education Jan. 25. The bill also would exempt students ages 55 and older from admission requirements.

The SBHE opposes this bill. Bill Goetz, NDUS chancellor, testified that the University System encourages lifelong learning for all North Dakotans and current NDUS policy allows residents age 65 and older to audit courses. He said, however, under the terms of this bill, it would be possible to earn a degree without paying tuition. HB 1385 also would allow students to enroll in courses without demonstrating achievement of certain academic thresholds.

Based on the current enrollment of students ages 55 to 64, the fiscal impact of this bill is estimated at \$1.8 million.

No committee action was taken.

## Centers of Research and Entrepreneurship Excellence Bill Heard

**SB 2057**, a bill that establishes Centers of Research Excellence, Centers of Entrepreneurship Excellence and Centers of Workforce Excellence, was heard in Senate Appropriations Jan. 27.

The SBHE supports this legislation. Marsha Krotseng, vice chancellor for strategic planning, testified that enhancing the economic vitality of North Dakota is an integral component of the NDUS mission, and the three types of centers proposed in the bill align with specific NDUS Strategic Plan focus areas as well as the state's Economic Development Strategic Plan.

Committee members appointed to the subcommittee that will work on SB 2057 are Sens. Ray Holmberg, Tony Grindberg and Larry Robinson.

## Family Medical Leave Bill Heard

**SB 2213**, a bill to increase the family medical leave available to state employees from 40 to 80 hours, was heard in Senate Government and Veterans Affairs Jan. 28.

The SBHE supports this bill. Wesley Matthews, human resources director at MiSU, testified on behalf of the board. Matthews said the bill:

- Demonstrates that the NDUS is a family-friendly employer
- Aligns more closely with federal family sick leave
- Provides for more use of employees' own sick leave before using the donated leave program

No action was taken.

## Centers of Excellence Audit Requirements Bill Heard

**HB 1060**, a bill to clarify Centers of Excellence audit requirements, was heard in House Appropriations Jan. 26.

The SBHE supports this bill. Marsha Krotseng, vice chancellor for strategic planning, testified that the bill clarifies annual audit requirements for Centers of Excellence. It would require a financial audit at two points during the monitoring process for each center and, for all other years, engage in the process currently used. The current process ensures accountability beyond a financial audit by providing an objective third-party examination of specific items not necessarily included in a fiscal audit.

The committee did not take action.

## House Education Hears Lengthy Fighting Sioux Testimony

**HB 1208**, **HB 1257** and **HB 1263**, three bills prohibiting discontinuance of UND's Fighting Sioux nickname and logo, were heard in House Education Jan. 26.

The SBHE position on this bill is neutral. In more than eight hours of testimony, about 20 bill sponsors and proponents of retaining the nickname were heard as were about 20 opponents of its use.

Among those providing neutral testimony were Grant Shaft, SBHE vice president and the board's spokesperson on this issue; Robert Kelley, UND president; and Jon Backes, SBHE president.

Shaft provided an overview of the board's exhaustive efforts to resolve the nickname debate.

"I am unable to think of any additional action, nor has anyone been able to suggest additional action, that the Board of Higher Education or any government official or any tribal or private party could have taken to secure the approval of both tribes," Shaft concluded.

"In the end, our constitutional obligation is to act in the best interest of the University of North Dakota. In deliberating this legislation, we ask that you do the same, even if that action differs from your personal feelings on this very emotional issue," he told committee members.

The committee did not take action on the bill.

## "Flexibility with Accountability" Bills Heard

Better known as the "flexibility with accountability" legislation, **HB 1033**, **HB 1034** and **HB 1035** were heard in House Appropriations, Education Division, Jan. 27.

The SBHE supports these bills. Laura Glatt, vice chancellor for administrative affairs, said they will continue legislation that has been renewed each session since 2001. She also expressed appreciation for the 2009 interim Higher Education Committee's endorsement of the bills. The key provisions of the three bills are:

**HB 1033:** Provides block grants for base funding

**HB 1034:** Permits the carryover of unexpended funds from one biennium to the next

**HB 1035:** Appropriates tuition revenues in the same manner as all other institutional funds

The committee did not take action on the bills.

## Week Four Agenda

**HB 1411 Mon., Jan. 31, 3:15 p.m.,**  
**H-APPEDU:** Declares chancellor has no authority over institutions; requires separate funding methodology for research, four-year and two-year campuses [*Oppose*]

**HB 1470 Wed., Feb. 2, 11 a.m. H-EDU:**  
Authorizes Legislature to set tuition and fee rates [*Oppose*]

**HB 1444 Wed., Feb. 2, 2:45 p.m.**  
**H-EDU:** Sets non-resident tuition at not less than the average cost per student, furthermore, cannot waive non-resident tuition; exempts students covered under reciprocity agreement [*Oppose*]

**HB 1445 Wed., Feb. 2, 2:45 p.m.**  
**H-EDU:** Requires the NDUS to return to the general fund an amount equal to state per-student funding for each non-resident student, except reciprocity students [*Oppose*]

**HB 1236 Thurs., Feb 3, 10:30 a.m.**  
**H-GVA:** Requires all state agencies, including NDUS, to create employee committees to review vacant positions, etc. [*Oppose*]

## Failed Bills

**HB 1212:** Intended to prohibit possession or sale of alcohol in the presence of minors at college sporting events, including contiguous property

**HB 1348:** Would have given \$10.2 million general appropriation to NDSCS for renovation of Bisek Hall

**SB 2036:** Intended to address ITD duties related to health information exchange