

Legislative Review

A Look at Higher Education in Week 6: Feb. 14-18, 2011

House Appropriations Approves Amended HB 1003

HB 1003, the University System budget bill, was amended by House Appropriations, Education and Environment Division, Feb. 17 and approved as amended by the full House Appropriations Committee Feb. 18 on a vote of 15-4-2.

An overview of amendments approved by House Appropriations follows.



Crossover Friday, Feb. 25

The date by which all bills must pass out of the house of origin to the second house of the Legislative Assembly

House Appropriations General Fund Changes to HB 1003

BASE FUNDING	
Budget Initiative:	
EPSCoR	Remove \$1.650 million increase (leaves \$7.050 base)
Tribal College Asst. Program	Remove \$1.0 million from permanent oil tax trust fund (\$700,000 2009-11 base plus \$300,000 2011-13 increase), (Note: HB 1363 appropriates \$1 million)
College Affordability (limit tuition rate increases)	Remove increase of \$6,640,563
Equity Funding	Remove increase of \$10 million
Teacher STEM Education Funding Enhancement	Remove base funding of \$250,000 allocated to each teacher education program in 2009-11: UND, NDSU, DSU, MaSU, VCSU and MiSU
NDUS Office Carryover Funds:	
Student Financial Asst. Grant (needs-based aid)	Reduction of 200 to 1,200 grants per year at \$1,200 each
Scholars Program	Reduction of 10 to 30 tuition scholarships per year
Native American Scholarship Program	No scholarship impact in 2011-13
Education Incentive Programs	
Teacher Shortage Loan Forgiveness	Reduction of about 30 awards per year at \$1,000 each
STEM Loan Forgiveness	Reduction of about 45 awards per year at \$1,500 each
Doctoral Programs	Reduction of about \$23,000 per year each to UND and NDSU
Professional Student Exchange	Reduction of new slots per year (up to): Veterinary medicine: 2 Dentistry: 3 Optometry: 4
ONE-TIME FUNDING	
Special Assessments	Remove increase of \$4.3 million to pay off special assessments
Special Assessments	Add funding of \$787,231 for 2011-13 principal and interest payments
DSU Stoxen Library (not on 2011-13 SBHE priority list)	Remove funding increase of \$8.8 million
VCSU Rhoades Science Center	Remove funding increase of \$7.971 million
NDSCS Bisek Hall (not on 2011-13 SBHE priority list)	Add \$10.5 million
WSC Workforce Training Center Addition	Add \$225,000 in general funds and \$2 million in revenue bond authority
BSC National Energy Center of Excellence, Fourth Floor Completion	Add \$4,335,000 previously allocated to Dept. of Commerce in 2009-11 biennium for Bismarck Great Plains Applied Energy Technology Center, not utilized
UND/NDUS Joint IT Building Construction	Add \$3.1 million in general fund (total of \$14.3 million)

House Approves Mature Students Tuition and Fee Waiver Bill

The House approved **HB 1385**, a bill to provide free tuition and fees to “mature” students, Feb. 17 on a vote of 65-29.

The SBHE opposed the original bill. As amended by House Education, the bill now applies to students ages 65 and older, rather than 55 and older as required in the original version of the bill. Also as amended, HB 1385 would allow students to enroll for credit or to audit courses, but would not include free online education.

Senate Education Considers OMB Documentation Bill

SB 2323 was heard in Senate Education Feb. 15. The bill would require NDUS campuses to submit to OMB copies of all invoices and any other documentation related to the cost and progress on capital projects exceeding \$100,000.

The SBHE opposes this bill. Chancellor Bill Goetz told the committee an estimated 75 to 80 per year University System projects exceed this amount. He said major renovation or new construction capital projects can have as many as 500 pieces of documentation, and responding to this requirement would create an additional administrative burden. Goetz also said current state statutes and SBHE policies and procedures provide adequate project approval and disclosures.

No committee action was taken.

House Education Votes “Do Pass” on Fighting Sioux Nickname Retention

House Education discussed **HB 1208**, **HB 1257** and **HB 1263**, the three bills intended to retain UND’s Fighting Sioux nickname and logo, Feb. 16 and sent HB 1263 to the House on a “do pass” vote of 10-5.

If approved, HB 1263 would require UND athletic teams to be known as the Fighting Sioux. Neither UND nor the SBHE could take action to discontinue use of the nickname or logo.

The bill would require the attorney general to consider filing a federal anti-trust claim against the NCAA if the association took action to penalize UND for using the nickname and logo.

Committee Votes “Do Pass” on Campus Fee Publication Bill

SB 2351, a bill requiring website publication of all NDUS campus fees was heard in Senate Education Feb. 16 and sent to the Senate Feb. 17 with a “do pass” vote of 7-0. The bill also limits 2011-13 mandatory fee increases to no more than 1 percent of the average undergraduate tuition rate, but provides for some exceptions.

The SBHE opposes this bill. Chancellor Bill Goetz provided an overview of current mandatory fees and discussed a study of tuition models and program fees being conducted by the SBHE.

Retirement Contributions Bill Heard in Senate Appropriations

SB 2108, a bill permitting retirement plan employer and employee contribution rate increases, was heard in Senate Appropriations Feb. 16. The bill is intended to help employees attain their retirement goals.

The SBHE supports this bill. Laura Glatt, NDUS vice chancellor for administrative affairs, told the committee the 2,475 University System employees who participate in the PERS defined benefit plan and also 4,615 NDUS employees who participate in the TIAA-CREF defined contribution plan would benefit from the bill. She said the 2011-13 executive budget recommendation for the NDUS and HB 1003 includes \$2.2 million for 1 percent annual increases in the employer contribution each January 1 of the 2011-13 biennium for both PERS and TIAA-CREF participants.

The committee did not take action on the bill.

Save
March 9-11, 2011

HB 1003:
NDUS Overview
Senate
Appropriation
Date

Failed Bills

- HB 1058:** Would have created a Dept. of Commerce grant program for university entrepreneurs; \$500,000 general fund appropriation
- HB 1059:** Would have created a technology award grant program for matching grants to technology-based business; \$500,000 general fund appropriation to the North Dakota Development Fund
- HB 1128:** Dealt with regulation of private post-secondary institutions
- HB 1281:** Established that a resident is not required to maintain health insurance coverage; exempts higher education students who must maintain insurance as part of employment
- HB 1356:** Would have provided individual income tax deduction of \$2,000 related to student loan payments
- HB 1408:** Would have permitted indemnification in joint powers agreements
- HB 1444:** Would have set nonresident tuition at not less than the average cost per student; furthermore, would not have been able to waive non-resident tuition, but exempted students covered under reciprocity agreements
- HB 1445:** Would have required the NDUS to return to the general fund an amount equal to state per-student funding for each non-resident student, except reciprocity students
- HB 1448:** Would have directed the State Auditor's Office to contract for a payment recovery audit to detect and recover improper payments to state vendors
- HB 1449:** Would have required political subdivisions to participate in the public reporting database
- HB 1470:** Would have allowed the Legislature to set tuition and fee rates
- SB 2257:** Would have made an owner/landlord responsible for limiting, reporting underage alcohol use