

Legislative Review

A Look at Higher Education in Week 9: March 7-11, 2011



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Jon Backes
SBHE President
HB 1003 - Senate
Appropriations Hearing
March 9, 2011

Senate Appropriations Hears North Dakota University System Budget Bill

The Senate Appropriations hearing on **HB 1003**, the NDUS budget bill, began Wednesday, March 9 and concluded Friday, March 11. Testimony included presentations by representatives of the 11 campuses, NDSU Agriculture Research and Extension, the UND School of Medicine and Health Sciences, and the NDUS Office.

Chancellor Bill Goetz led the system overview with a discussion of higher education as a value-added investment. "It is a 'public good' that returns dividends to the people who fund it," he said.

Goetz described for the committee some of the dynamic changes taking place in higher education in the state, including increased levels of collaboration, world-class research, workforce training created to meet employer needs, growing partnerships with K-12 education, a changing student

profile and expanding delivery methods. He discussed the SBHE's strategic planning process and linkages to the Department of Commerce's strategic plan.

Goetz's comments were followed by strong supporting testimony from Jon Backes, SBHE president; David Farnsworth, Great River Energy manager; Andy Peterson, North Dakota Chamber of Commerce president; Andrew Brown, NDSA president; and John Girard, MiSU associate professor, SBHE faculty advisor and CCF member.

Sen. Holmberg, Senate Appropriations chair, named the subcommittee members who will work on HB 1003. In addition to Holmberg, they are Sens. Bowman, Robinson and Krebsbach.

Highlights from each of the overview presentations follow.

David Farnsworth

... Our ability to continue to grow our energy industry is highly dependent on our ability to grow a workforce of skilled labor, technicians, operators, engineers and managers. ... The needs for North Dakota's higher education system to educate and supply a skilled technical workforce have never been greater. The accelerating retirements of our experienced workforce, coupled with the expanding North Dakota energy industry, will require that the energy industry and the North Dakota higher education system be joined at the hip to grow this sector of our economy. ... I think

I reflect the opinion of most of my colleagues in recommending that higher education and the Legislature be strategic in targeting their resources in a way that not only provides our students with a good education, but also provides them with the skills and knowledge that will help them grow the North Dakota economy. In this effort, you will find the energy industry to be a willing partner.

Andy Peterson

... We are here in support of funding to provide the North Dakota University System with adequate resources to meld the state's education, businesses

and private sectors and further expand North Dakota's economy. ... We have seen what has been created by unleashing the entrepreneurial strength and spirit of the University System, and we believe this needs to continue. ... The state has the opportunity to position our university system in alignment with North Dakota's growing global significance. ... North Dakota students should be the best prepared job candidates in the world, and adequate funding for the North Dakota University System plays an important role in making this a reality.

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John Girard

... The most significant ingredient in creating an accessible, affordable and high-quality education is the people. Of course, we need infrastructure, but it is the people, not the buildings, grounds and technology, that create an exceptionally high-quality learning environment. ... It is our people, the folks in classrooms, in libraries, in writing centers, in business offices, plant services and every nook and cranny of our campuses, that make sure our students are successful. ... Progressive businesses know the value of offering a competitive salary. It is what keeps them competitive and relative in the marketplace. Competitive salaries attract a worthy resource: knowledgeable employees. Knowledgeable and talented employees, who are dedicated to their institutions and to the state of North Dakota, are the single greatest resource for institutions of higher education. ... Ultimately, the compensation package represents an investment for the future growth of our NDUS institutions, our state and its citizens.

Andrew Brown

The students of the NDUS – whether they are from North Dakota, Minnesota, South Dakota, China or India – are also part of the community. You cannot separate a student and their campus from the community they reside in. ... Almost half of all full-time students have jobs. However, the days of paying as you go, for most students, is becoming increasingly difficult. The rising cost of tuition, along with the associated costs, such as books and supplies, requires most students to seek student loans to bridge the gap. Simply put – students cannot afford a large jump in tuition, which will eventually lead to larger student loan debt. ... Students have been very troubled by the amendments made by the House to the budget proposed by the governor. ... Cutting funding for these programs will not produce a higher-quality college student. ... If the Legislature would like to see change, then please tell us – and I stress us – because the amendments that have been proposed affect us, as students, just as much as the administrators. ...

Jon Backes

Two fundamental precepts guide the state board in preparing the University System budget request. Is this decision in the best interest of students, and is it a beneficial investment by the state of North Dakota?... The campus overviews that will be presented to you this week result from balancing the needs of each institution within the structure of a statewide system of higher education with emphasis on a statewide educational agenda. ... Board members see the University System as one of the state's greatest assets, and as perhaps the greatest tool for continuing the diversification of our state's economy and extending the state's economic growth for generations to come. ... I must tell you that each time I tour a campus, I find myself saying, "This is not your father's Oldsmobile!" The higher education system we have today isn't the higher education system I started in 30 years ago, and it's not the system I saw my brother go through 10 years ago. The amount of change that has taken place is absolutely stunning.

NDSU Ag Budget Bill Heard

HB 1020, the NDSU Ag budget bill, was heard in Senate Appropriations March 10.

Representatives of NDSU Research and Extension, Northern Crops Institute, Upper Great Plains Transportation Institute, Agronomy Seed Farm and the State Board of Agricultural Research and Education (SBARE) presented supporting testimony to the committee.

Sen. Holmberg, Senate Appropriations chair, named the subcommittee members who will work on HB 1020. In addition to Holmberg, they are Sens. Bowman, Christmann and O'Connell.

Senate Education Hears Mature Students Tuition and Fee Waiver Bill

HB 1385, a bill to provide free tuition and fees to "mature" students, was heard in Senate Education March 9.

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

The committee did not act on the bill.

Committee Hears Bill Allowing Minors to Eat in Bars

HB 1307, a bill allowing people under the age of 21 to enter licensed liquor establishments to eat meals, was heard in Senate Judiciary March 7.

If approved, the bill would allow entrance if the establishment "serves at a tabletop" and is prepared on site with an "indoor grill." The intent of HB 1307 is to provide more options for dining out in smaller communities; however, the ramifications may be far-reaching. Underage access to alcohol may be increased, and monitoring who is consuming alcohol would be more difficult.

Jane Vangsness Frisch, director of the North Dakota Higher Education Consortium for Substance Abuse Prevention, testified in opposition to the bill. The committee did not take action.

Consumer Protection Bill Heard in Senate Education

HB 1129, a higher education consumer protection bill, was heard in Senate Education March 9.

HB 1129 was one of two such bills proposed by CTE and supported by the SBHE. In its current form, however, the bill does not provide funding to staff this added function.

The committee did not take action.

Fighting Sioux Nickname Bill Passes in the Senate

After a 5-2 “do not pass” Senate Education recommendation March 7, the Senate voted 28-15 in favor of **HB 1263** March 11.

HB 1263 prohibits discontinuance of the UND Fighting Sioux nickname and logo. It requires 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 requires the attorney general to consider filing a federal anti-trust claim against the NCAA if the association takes action to penalize UND for using the nickname and logo.

The bill now goes to the governor.

Career and Technical Education Budget Bill Heard

HB 1019, the State Board for Career and Technical Education budget bill, was heard in Senate Appropriations March 7.

The SBHE supports the workforce training portion of this bill, which provides \$3 million for the workforce training regions.

Marsha Krotseng, NDUS vice chancellor for strategic planning, testified in support of the \$3 million investment in TrainND, the state’s workforce training system, and commented on the accountability the system has demonstrated. Larry Skogen, BSC president, and Carla Braun-Hixson, BSC associate vice president for continuing education, training and innovation, testified in regard to the strong business support for TrainND.

In FY 2010, more than 1,500 businesses provided training for 11,644 employees through TrainND; collaboration among the four workforce training regions continues to grow.

The committee did not act on the bill.

Week 10 Agenda

HB 1106 Mon., March 14, 10:45 a.m., S-EDU: Relating to Academic & CTE scholarships; provides SBHE and DPI rule making authority; sets 2.75 GPA to maintain scholarship (SBHE bill)

HB 1018 Tues., March 15, 8:30 a.m., S-APPR: Includes \$2 million for workforce enhancement grants; House amended to remove \$18 million in Centers of Excellence funds

SB 2013 Wed., March 16, 9 a.m. H-APPEDU: Includes \$200,000 in general funds for NDUS interpreters, real-time captioning

New Accountability Measures Bill Heard in Senate Committee

HB 1369, a bill to add accountability measures related to non-instructional costs and non-resident students, was heard in Senate Appropriations March 8.

The SBHE opposes this bill. It would add six new accountability measures that could not be assessed objectively because of the lack of comparative data. Chancellor Bill Goetz testified that the University System has a strong commitment to accountability and, for more than a decade, has demonstrated this commitment through its annual accountability measures reports. He suggested a legislative review of the current measures before adding new measures to an already extensive document.

No action was taken by the committee.

High School Student Recruitment Database Bill Approved by House Education

SB 2278, a bill related to a North Dakota high school student recruitment database, received a 14-1 “do pass” recommendation from House Education March 8.

The NDUS Office and the 11 institutions currently collaborate on development of a high school junior and senior contact information database, which is used for mailing the NDUS Viewbook and campus recruitment materials to prospective students. SB 2278 requires the NDUS to disclose this information to nonpublic colleges and universities in the state.

The SBHE position on this bill is neutral.

Failed Bills

HB 1471: Related to the state building code

Passed Bills

HB 1118: Limits review by the state vehicle accident review board to those accidents involving injury or significant damage

SB 2025: Changes concession bid advertisement requirement from \$500 to \$25,000 annually