

2005 Legislative Review

A Look At Higher Education In Week 3: Jan. 17–21, 2005

Senate Appropriations Hears NDUS Budget Bill



"The roundtable, in partnership with campus leadership, is establishing a framework for success in our state and region."

***Don Morton,
Microsoft,
In comments on
SB2003***

NDUS and private sector representatives urged legislators to stay the course on the goals and expectations of the Roundtable on Higher Education, specifically implementation of the Long-Term Finance Plan, during the Senate Appropriations hearing on SB 2003, the NDUS budget bill, Jan. 17.

The three-hour overview began with comments from SBHE President Bruce I. Christianson and NDUS Chancellor Robert Potts. SBHE members Pam Kostelecky (vice president), Dr. Richard Kunkel, Bev Clayburgh, Sue Andrews and Dr. Ann Burnett (faculty advisor) also attended the hearing.

Christianson provided an overview of the roundtable and its impact on the system and state as well as highlights of 2004 board and system accomplishments. He reaffirmed that the SBHE is firmly committed to implementation of the Long-Term Finance Plan. "It will take a lot of teamwork and vision to bring it to reality, but – in the end – all of North Dakota will benefit," Christianson said.

Potts provided an overview of some of the many private and public partnerships now underway, the system's response to demographic challenges, the need to provide competitive faculty and staff salaries, the importance of investing in technology and the balance between general fund appropriations and tuition increases.

Strong private sector support for continuation of the roundtable was provided by Dennis Hill, executive vice president and general manager of the North Dakota

Association of Rural Electric Cooperatives, and Don Morton, assistant to Microsoft senior vice president Doug Burgum. Both commented on the impact of empowering system campuses to partner with the private sector and provided specific examples of how these new relationships are enhancing the state's economy.

A summary of the *2004 Accountability Measures Report*, which demonstrates that the NDUS is meeting and exceeding "flexibility with accountability" expectations, was provided by NDUS vice chancellors Michel Hillman, Laura Glatt and Eddie Dunn. Glatt also provided an overview of the Long-Term Finance Plan and the 2005–07 budget request. (For more information about the budget request, go to the November/December 2004 issue of the *SBHE Update* at www.ndus.nodak.edu/sbhe and click on *News from the SBHE*.)

Campus perspectives on the importance and impact of strong legislative support for the 2005–07 NDUS budget were provided by Dr. John Pederson, MaSU faculty member and CCF president; Dr. Ann Burnett, NDSU faculty member and SBHE faculty advisor; and Lucas Larson, NDSU student and NDSA lobbyist. Pederson and Burnett emphasized the need for increased state funding to address faculty and staff salaries.

On Jan. 18 and 19, presentations were provided by the 11 system campuses and the NDSU Extension Service, Main and Branch Research Centers, Northern Crops Institute, Upper Great Plains Transportation Institute and Agronomy Seed Farm.

SB 2020: Senate Appropriations Hears NDSU Extension Service Bill

SB 2020, the appropriation bill for the NDSU Extension Service, Main and Branch Research Centers, Northern Crops Institute, Upper Great Plains Transportation Institute and Agronomy Seed Farm, was heard in Senate Appropriations Jan. 19.

Tom Archibold, president of the State Board of Agricultural Research and Education (SBARE), NDSU representatives and others testified in support of the bill. The executive recommendation included an increase of about \$3.7 million for salary, health insurance and inflationary increases as well as \$302,000 for initiatives, including \$200,000 in one-time funding for two FTEs for the beef initiative. The Central Grasslands Branch Research Center budget request included \$310,000 for the Central Grasslands Headquarters office addition, which was not included in the executive recommendation. Several testified in support of this project and urged the committee to consider funding this office addition, which was the #2 priority of SBARE.

HB 1232: "Do Pass" Recommended on Student Teacher Stipend Bill

HB 1232 was heard in House Education Jan. 17. This bill would permit school boards to provide stipends to student teachers. The committee recommended "do pass" on a vote of 12-2.

SB 2079: Tuition and Fee Waiver Bill Heard in Senate Education

SB 2079 was heard in Senate Education Jan. 17. This SBHE-sponsored bill concerns tuition and fee waivers for dependents of disabled veterans or veterans killed in action and survivors of firefighters and peace officers. If enacted, all fees will be waived, benefiting students entitled to the waiver and relieving campuses of the administrative burden of making manual calculations to waive partial fees in some cases. The bill also extends the time permitted those receiving the waiver to complete a bachelor's degree from eight to 10 semesters. NDUS staff testified in support of the bill. The Education Committee adopted an amendment adding dependents of emergency medical technicians killed on duty to those entitled to the waiver and passed the amended bill out of committee with a unanimous "do pass" recommendation. The Senate passed SB 2079 as amended on a vote of 44-0 Jan. 20.

HB 1024: House Appropriations Hears Deficiency Appropriations Bill

HB 1024, the deficiency appropriation bill, was heard in House Appropriations Jan 18. As introduced, the bill includes funding for UND and NDSU for disaster costs related to the 1997 Grand Forks flood and the 2000 Fargo heavy rains. Chancellor Potts appeared before the committee and requested an amendment to the bill that would provide an additional \$672,150 in state general funds to cover additional *ConnectND* post-production consulting costs at NDSU, UND, MiSU and MiSU-BC.

HB 1304: Finance and Lease Arrangements Bill Heard in House Appropriations

HB 1304 was heard Jan. 18 in House Appropriations, Government Performance Division. This bill would require, as part of the budget process, submission of information about all finance and lease arrangements requiring payment in the next biennium. NDUS staff testified in opposition to the bill because it is inconsistent with the principles of flexibility with accountability. The agreed-upon accountability measures are intended to measure the NDUS's performance in meeting expectations defined by the Roundtable on Higher Education and are to replace all other regular and ad hoc reporting.

HB 1334: House Appropriations Hears Vacant FTE Bill

HB 1334 was heard Jan. 19 in House Appropriations, Government Performance Division. BSC President Donna Thigpen testified in opposition to this bill, which would capture funding from vacant FTE positions open more than 90 days. The captured funding would be used for restoring critical vacant positions or for equity and performance compensation increases, if permitted by OMB. Following Thigpen's testimony, the committee indicated it was not their intent to include the NDUS in this legislation. This bill will continue to be monitored to make sure the appropriate exemption is added.

HB 1275: IT Reporting Bill Heard in House Appropriations

HB 1275 was heard Jan. 20 in House Appropriations, Government Performance Division. This bill would require information technology projects totaling more than \$100,000 to be reported to an ITD Advisory Committee if the project cost was exceeded by 20 percent or the completion date was exceeded by 60 days. NDUS staff did not testify because the State Chief Information Officer offered amendments that would exempt the University System from the bill.

SB 2019: Request for Additional Workforce Training Funds Heard in Senate Appropriations

SB 2019, the State Board for Career and Technical Education's budget bill that includes funding for workforce training, was heard in Senate Appropriations Jan. 20. In testifying on the workforce training portion of the bill, Vice Chancellor Eddie Dunn said the number of businesses served increased dramatically from 1999 through 2003 and then began to taper off. He said the reduction was the result of the training system reaching its capacity. The underlying factor is that the training services are being expanded to more rural areas of the state where there are smaller businesses with fewer employees. He reported that satisfaction levels from businesses and employees receiving training through the system consistently approach 100 percent. Expansion of workforce training is one of the three initiatives included in the SBHE's legislative agenda.

HB 1282: Continuing Appropriations Disclosure Bill Heard in House Appropriations

HB 1282 was heard Jan. 20 in House Appropriations, Government Performance Division. This bill would require disclosure of expenditures, revenue and fund balances for all continuing appropriations. For the NDUS, continuing appropriations encompass all non-state general fund sources of revenue, including tuition, housing, food services, parking, bookstore revenues, private funds, and grants and contracts.

SB 2058: Mileage Reimbursement Bill Heard in Senate GVA

SB 2058, a bill to increase mileage reimbursement, was heard Jan. 21 in Senate Government and Veterans' Affairs. NDUS staff testified in support of the bill to increase personal vehicle mileage reimbursement from \$0.31 to \$0.375.

SB 2195: Senate GVA Hears Food and Lodging Reimbursement Bill

SB 2195, a bill to increase food and lodging reimbursement, was heard Jan. 21 in Senate Government and Veterans' Affairs. The bill would increase meal reimbursement as follows: breakfast would increase from \$4 to \$5, lunch would increase from \$6 to \$7.50 and dinner would increase from \$10 to \$12. Lodging reimbursement also would increase from \$45 to \$51 under the provisions of the bill.

On the Week Four Agenda

SB 2036: Mon., Jan. 24, 9:30 a.m., S-APPR: Amend and re-enact NDCC relating to cancellation of unexpended appropriations of North Dakota University System

HB 1364: Tues., Jan. 25, 8:00 a.m., H-EDU: Requires demonstration of English pronunciation requirements for faculty; provides student tuition refund

SB 2206: Tues., Jan. 25, 9:00 a.m., S-EDU: Equity funding for NDSU, BSC and LRSC

SB 2032: Wed., Jan. 26, 8:30 a.m., S-IBL: Dept. of Commerce appropriation bill including centers of excellence; SBHE commercialization study; UGPTI transportation study

SB 2247: Thurs., Jan. 27, 10:30 a.m., S-GVA: Provides general fund appropriation for salary increase of 3 percent for Jan. 1 through June 30, 2005, including AG entities