

Legislative Review

A Look at Higher Education in Week 17: April 23–25, 2007

NDUS Budget Bill Provides Increased Funding

HB 1003, the NDUS budget bill, was approved by both the House and Senate April 25, 2007.

In its final form, HB 1003 provides \$468.4 million in state general funds and \$7.8 million from the Permanent Oil Trust Fund. The bill includes an additional \$157 million in other fund authority, primarily for capital projects, bringing the total 2007 – 09 appropriation to \$633.2 million. This is a combined general fund and Permanent Oil Trust Fund increase of \$89 million or 23 percent more than the 2005 – 07 original appropriation. The general fund increase – both base and one-time – is \$81.3 million or 21 percent more than 2005 – 07.

For historical comparison purposes, when major capital projects of \$13.8 million are excluded (since capital projects typically are bonded) the total general fund increase compared to 2005 – 07 is \$66.4 million or 17.8 percent, including both base and one-time funding increases.

The amount appropriated is \$1.8 million less than the Executive Budget, but totals \$6 million more than the Executive Budget when funding from the Permanent Oil Trust Fund is included.



The 2007 Legislative Session concluded April 25, 2007.

Signe Dei!

Major HB 1003 Changes from the Executive Budget Recommendation

• SBHE Initiative fund \$(1,800,000) (no balance remains)	• UND SOMHS-bacteriology/ \$ 700,000 immunology
• System governance \$(308,000) (CTEC position)	• NDSCS nanoscience and \$ 350,000 technology training
• System governance (operations) . . . \$(200,000)	• MaSU special assessments \$ 143,033 payments for 3 years
• Operations pool \$(344,559) (no balance remains)	• MiSU Swain Hall (general fund) . . . \$ 4,000,000
• Contingency and capital emergency \$(496,482) (no balance remains)	• MiSU Dome floor (general fund) . . . \$ 387,000
• PSEP-optometry loan forgiveness . . \$(100,000) program	• WSC service rig program \$ 900,000 (Permanent Oil Trust Fund)
• MaSU deferred maint. \$(250,000) (reduction from executive recom.)	• ConnectND funding \$ 6,000,000 (\$2.M one-time and \$3.7 M base)
• UND SOMHS professional \$(250,000) liability insurance	• EPSCoR \$ 150,000
• 10% local match required on BSC . . \$(913,960) Schafer Hall, UND O’Kelley, NDSU Minard and MiSU Swain Hall	• MiSU-B recruiter position. \$ 98,500
• Campus & Forest Service \$(924,769) operations reductions	• PSEP – 5 Kansas State vet slots . . . \$ 205,920 (Student Loan Trust Fund)
• Northern Tier Network \$ 2,773,800 (Permanent Oil Trust Fund)	• NDSCS operations \$ 100,000
	• VCSU operations \$ 400,000
	• MaSU operations \$ 250,000
	• DSU start-up funding for \$ 150,000 Theodore Roosevelt Center

NDSU Research and Extension Budget Increased

HB 1020, the NDSU Research and Extension budget bill, was approved by the House and Senate April 24.

The bill provides a 2007 – 09 state general fund appropriation of \$76.3 million, which is \$19.6 million or 34.6 percent more than the 2005 – 07 adjusted appropriation, including major capital projects.

For historical comparison purposes, when major capital projects are excluded (since capital projects typically are

bonded) the total general fund increase compared to 2005 – 07 is \$11 million or 19.4 percent.

The \$19.6 million increase includes \$8.7 million in one-time funding and \$10.9 million (or 19.2 percent) more in base funding. The final budget is \$407,000 (or 3.8 percent) more than the Executive Budget.

Major HB 1020 Changes from the Executive Budget Recommendation

• Operations reduction	\$(23,884)	• Parenting resources centers statewide	\$ 125,000
• Office headquarters at Carrington,	\$(200,000)	• Junior master gardener program	\$ 20,000
• Reduce greenhouse funding from	\$(2,000,000)	• 1 FTE western ND horticulturist	\$ 200,000
• Adjust salary increases from	\$ 448,084	• Soil conservation grants	\$ 100,000
• 2 FTE waste management positions	\$ 400,000	• Design/engineering costs of beef	\$ 80,000
• 2 FTE irrigation research positions	\$ 250,000	• Change funding source from ag	\$ 300,000
• 1 FTE 4-H youth development position	\$ 175,000	• N. Central equipment storage facility	\$ 300,000
• Rural leadership program	\$ 200,000		

Workforce Training Funds Included in Career and Technical Education Budget Bill

HB 1019, the Career and Technical Education budget bill, was approved by the House and Senate April 23.

HB 1019 provides \$3 million for the four workforce training quadrants, which is an increase of \$1.65 million compared to 2005 – 07 funding. The bill also provides for a \$2 million transfer from the general fund to the Department of Commerce’s new Workforce Enhancement Fund.

The Workforce Enhancement Council, which will include the director of CTE and the director and private sector members of the Workforce Development Council, will make recommendations to the DoC commissioner on allocation of grants to the NDUS colleges that have primary responsibility for workforce training.

The grants will be used to create or enhance training programs that address workforce needs of private sector companies. Funds for this program will be used primarily for curriculum design and development.

ITD Budget Bill Transfers Video Services Support from NDUS to ITD

HB 1021, the Information Technology Department budget bill, was passed by the House and Senate April 23.

The bill includes a transfer of \$300,110 from the NDUS to ITD for two FTEs and the related operating expenses to transfer support for video services from the NDUS to ITD, a change that was supported by the NDUS.

HB 1021 creates a statewide longitudinal data system committee, including the chancellor or his/her designee. The committee will plan and propose a system that:

- Provides for dissemination of management information to stakeholders and partners of state education, training and employment systems and
- Uses data from education and workforce systems and central sources of longitudinal data.

HB 1021 also provides a \$50,000 general fund appropriation for consulting services for the statewide longitudinal data system.

DoC Budget Bill Provides CoE Funding

HB 1018, the Department of Commerce budget bill, was approved by the House and Senate April 24.

In its final form, the bill includes the following 2007 – 09 funding for the Economic Development Centers of Excellence:

- \$10 million for Sept. 1, 2007, allocation
- \$5 million for Sept. 1, 2008, allocation
- \$5 million in borrowing authority if needed, thereafter

Changes to the CoE rules include:

- A distinction must be made between centers designated to address commercialization and infrastructure needs.
- Workforce may not be the primary need addressed by a center.
- Following receipt of a CoE Commission funding award recommendation, the Budget Section shall approve, reject or re-refer the recommendation to the commission for modification. Modified proposals will require the approval of the Emergency Commission or the Budget Section.

HB 1018 also includes two possible Legislative Council studies. One study would look at the state's system for addressing workforce needs through a workforce system initiative, including alignment of the higher education curriculum with current and future workforce needs. The other would address the desirability and feasibility of implementing a grant program for North Dakota students who have excelled academically and attend NDUS institutions.

Also included in HB 1018 is a provision authorizing the DOC Division of Workforce Development to administer a program to increase use of internships and work experience opportunities for higher education students. The bill includes a requirement that the SBHE shall monitor and report to the Legislative Council on the implementation status of CCBenefits, a strategic planning tool for community colleges.

SB 2379 Requires Nursing Consortium, Participation in Systemwide Initiatives

SB 2379, a bill to develop a nursing education consortium, was approved by the Senate April 23 and the House April 24.

The final version of the bill requires UND to create a nursing education consortium for addressing common concerns in nursing education. The bill provides UND a state general fund appropriation of \$200,000 to defray the cost of a simulation laboratory program. The bill also includes legislative intent for the SBHE to establish and implement policies and procedures for NDUS institutions to participate in systemwide initiatives.

HB1395 Funds Tribal Colleges from Permanent Oil Trust Fund

HB 1395, a bill to provide financial assistance to tribally controlled community colleges, was approved by the House and Senate April 24.

HB 1395 provides an appropriation of \$700,000 from the Permanent Oil Trust Fund for payments to tribal colleges for students who attend these colleges, but are not enrolled members of federally recognized tribes. It also requires the first \$700,000 of the state share of tax revenues from oil wells on the Ft. Berthold Reservation to be transferred to the Permanent Oil Trust Fund.

SB 2309 Increases Required Number of Units, Specifies High School Graduation Courses

SB 2309, a bill to increase high school graduation requirements, was approved by the Senate April 20 and the House April 23.

The compromise version of SB 2309 increases the required number of units for high school graduation from the current number of 21 to 22 in 2009–10 and 24 in 2011–12. For the first time, state law also will require specific courses for high school graduation in 2008 – 09, including the following:

- 4 units of English language arts
- 2 units of mathematics
- 2 units of science
- 3 units of social studies (may include 1/2 unit North Dakota studies and 1/2 unit of multicultural)
- 1 unit of physical education
- 1 unit of foreign or Native American language, fine arts, or career and technical education

This action generally is considered to be defining current practice in state law to form a basis for strengthening requirements in the future. North Dakota has been one of about five states that did not have high school graduation course requirements.

SB 2260, Criminal History Records Checks Bill Approve

SB 2260, a bill to provide authority for criminal history records checks, was approved by the Senate and the House April 25.

The final version of SB 2260 includes authority for FBI criminal history records checks on NDUS job applicants or employees in designated positions and students in designated programs, as requested by the SBHE.

Bills Passed This Week

- HB 1003:** Relates to the NDUS appropriations bill
- HB 1016:** Relates to Job Service North Dakota program services
- HB 1018:** Relates to the Department of Commerce budget bill
- HB 1019:** Relates to the Career and Technical Education appropriation; workforce training
- HB 1020:** Relates to the Northern Crops Institute
- HB 1021:** Relates to the ITD appropriation bill
- HB 1107:** Increases mileage reimbursement from \$.37 to \$.425
- HB 1395:** Provides a \$700,000 appropriation to the SBHE for grants to tribally controlled colleges for non-Indian students
- HB 1433:** Provides diabetes treatment management services for state employees and their families
- HB 1487:** Transfers \$3.1 million from the Student Loan Trust Fund to a new low-interest student loan fund for loans to North Dakota residents at 2 percent per year
- SB 2016:** Relates to the payment of adjusted compensation to veterans
- SB 2030:** Relates to K–12 Joint Powers Agreements
- SB 2057:** Relates to the definition of the profession of teaching and the national board for professional teaching standards certification
- SB 2094:** Relates to resident bidder preference for public printing and services provided by in-plant print shops
- SB 2152:** Relates to selection and eligibility for loan repayment under the dentists' loan repayment program and for new practice grants
- SB 2200:** Deals with state aid to local school districts
- SB 2260:** Provides authority for criminal history record checks
- SB 2309:** Relates to high school graduation requirements
- SB 2344:** Restricts NDUS off-campus catering
- SB 2379:** Develops a nursing education consortium