

Legislative Review

A Look at Higher Education in Week 13: March 30 - April 3, 2009



**Wednesday,
May 6**

**The 80th, or
last possible,
day of the 2009
Legislative
Session**

Subcommittee Completes Work on SB 2003, the NDUS Budget Bill

The House Appropriations Committee, Education and Environment Division, has approved amendments to **SB 2003**, the NDUS budget bill, which now goes to the full House Appropriations Committee.

The State Board of Higher Education will meet via conference call Monday, April 6 to discuss the bill in its amended form. Overall, the bill provides a strong budget for the University System, according to Chancellor Bill Goetz, but some amendments would impact the system's ability to meet the expectations of students and the state.

Of special concern are amendments that reduce or eliminate funding to make college more affordable and address campus priorities, including new or expanded academic programs to meet student and business and industry needs.

Amendments adopted by the sub-committee include actions to:

- Add \$750,000 for a Theodore Roosevelt Center at Dickinson State University
- Add \$350,000 from the Permanent Oil Tax Trust Fund to Dickinson State University to offset reductions in oil revenues
- Remove salary increase restrictions for the NDUS Office and restore related funding
- Reallocate \$8.2 million in state tuition affordability funding which would have permitted tuition rate increases to be frozen at the two-year campuses and limited to no more than 4 percent per year at the four-year campuses in 2009-11 to financial aid
- Remove \$10 million in campus equity funding

- Add \$11 million for the state grant program, of which \$8.2 million is reallocated from tuition affordability (Of \$21 million expected to be amended out of SB 2062, \$2.8 million is added to SB 2003.)
- Add \$3 million for a new merit scholarship program (The \$3 million and several policy sections are to be amended out of SB 2062.)
- Add \$1 million to existing Loan Forgiveness Program with a focus on STEM fields (The \$1 million is expected to be amended out of SB 2062.)
- Shift funding for the University of North Dakota Education Building renovation of \$11.2 million from state general fund to federal stimulus funds
- Add \$345,000 to MiSU-B for greenhouse repairs (\$280,000) and safety/security (\$65,000)
- Add a Legislative Council study on the impact of higher education tuition waivers
- Add a Legislative Council study to determine the feasibility of creating a department to oversee both kindergarten through grade 12 and higher education
- Add \$800,000 and designate \$200,000 of NDUS Office carryover for two-year college marketing
- Allow MiSU to use funds designated for a boiler refurbishment project to possibly be applied to the cost of a geothermal system
- Designate \$1.1 million of NDUS Office carryover for the Northern Tier Network

After Appropriations Committee action, SB 2003 will need to be acted on by the full House before a joint Senate and House conference committee works to reach consensus on a final version of the bill.

Projects Added to Flexibility with Accountability Bill

Several major capital projects funded by state general funds have been added to **SB 2038**, a bill to continue the “flexibility with accountability” recommended by the Roundtable on Higher Education. The amended bill has been adopted by the House Appropriations, Education and Environment Division.

Submitted by the Interim Higher Education Committee, in its original form, the bill was supported by the SBHE. The board will discuss the proposed additions during the April 6 conference call.

State funded capital projects added to SB 2038 include:

NDSU AG research greenhouse	\$5,350,600
NDUS/UND joint IT building	\$11.2 million
DSU Stoxen Library project	\$8,820,000
MiSU Swain Hall project	\$5 million
UND SoMHS Bismarck Family Practice Center	\$5.4 million
WSC virtual center for career and technical education	\$3 million

The WSC virtual education center also would receive \$3 million from the Permanent Oil Tax Trust Fund.

Bills Passed This Week

- HB 1091:** Requires continuing education for pharmacist
- HB 1123:** Deletes industrial commission approval requirement for state agency leases
- SB 2272:** Adds prosthetics coverage to PERS health insurance plan; adds \$.90 per month per health insurance contract without additional funding for NDUS
- HCR 3003:** Provides for an interim study of tribal social service programs
- SB 2327:** Provides the state fire marshal authority to adopt rules to exempt temporary occupancy of historical structure renovation
- SB 4002:** Provides for an interim study of the state’s workforce system
- SB 4003:** Supports development of national immigration policy
- SB 4006:** Provides for a Legislative Council study of teacher professional development opportunities

Bills Failed This Week

- HB 1222:** Changed the composition of Legislative Council
- HB 1332:** Updated projects subject to the state building code
- HB 1513:** Created innovation, efficiency grant program in the Office of Management and Budget; provided employee innovation awards up to \$10,000
- HCR 3043:** Provided for an interim study of higher ed laboratory safety
- SB 2076:** As amended, increased to \$550,000 the cost of non-state funded projects the SBHE can approve without legislative approval
- SB 2427:** Applied national energy conservation standards to all buildings; provided for an Industrial Commission loan up to \$5 million for matching energy grants