

2013 SENATE EDUCATION

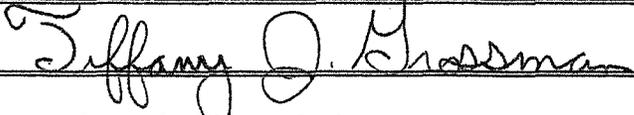
SB 2094

2013 SENATE STANDING COMMITTEE MINUTES

Senate Education Committee
Missouri River Room, State Capitol

SB 2094
01-09-13
17037

Conference Committee

Committee Clerk Signature	
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Explanation or reason for introduction of bill/resolution:

Relating to mandatory fees assessed by institutions of higher education; to provide an expiration date; and to declare an emergency

Minutes:

Written Testimony is Attached

Chairman Flakoll: We will open the hearing on SB 2094.

Ham Shirvani, Chancellor of the North Dakota University System: Testified in support of SB 2094. (See attachment #1 for copy of testimony). (Ended testimony at 4:15)

Chairman Flakoll: Point of clarification on the third paragraph of your testimony, on line two it should read 2011.

Senator Heckaman: Is the emergency clause on there for a reason?

Ham Shirvani, Chancellor of the North Dakota University System: Honestly, no. That was in the bill.

Senator Poolman: Did the exception for BSC relating to legislative authorization still have student approval for that?

Ham Shirvani, Chancellor of the North Dakota University System: Yes, absolutely. The other two were just student approval and there was no building involved.

Chairman Flakoll: If we passed this bill will the estimator tool will still be in place?

Ham Shirvani, Chancellor of the North Dakota University System: Yes we have to always have that. Program fees and course fees are not included.

Jody Ferris, Legislative lobbyist for the North Dakota Student Association: Testified in support of SB 2094. (See attachment #2 for copy of testimony)

Senator Heckaman: Did your association discuss the possibility that if this is capped at a certain percentage, there could be a great increase in program fees?

Jody Ferris, Legislative lobbyist for the North Dakota Student Association: We have not discussed it.

Vice Chairman Schaible: When you have these exemptions for students and the Student Senate gets the okay to do these exemptions, do you feel that the process is fair and gives you the adequate voice of the students?

Jody Ferris, Legislative lobbyist for the North Dakota Student Association: If the students of an institution decide they should raise fees, we think that is fair.

Senator Poolman: What would your opinion be about making Universities put it to a student vote, not just their governing body, but making the entire institution vote.

Jody Ferris, Legislative lobbyist for the North Dakota Student Association: I don't know where NDSA stands on that but personally that would be very fair. As a student I would enjoy having input on how much money I'm contributing and knowing exactly why my institution needs to raise fees.

Ham Shirvani, Chancellor of the North Dakota University System: I wanted to respond to Senator Heckaman and this is very important. Any fees can only be used for the purpose it is raised. So if mandatory fees are capped, no matter how much course fees or program fees are increased, it can't be moved and spent here, so one has zero impact on the other.

Senator Heckaman: We heard a lot of the colleges were carrying accounts full of money. Has the board of higher education addressed any of those accounts that have been full of money and are not being used?

Ham Shirvani, Chancellor of the North Dakota University System: We are looking at those now. There was a mandate given to each college and university that they need to look at every single program and course fee and give us a justification that it is necessary or not. If it is necessary, we need to know how much money is there and how they are going to use it. After that, there is a proposal to have the fees be clustered together and get rid of the fees so there is full transparency right up front. We are in the process of wrapping up the process. We will make sure all of the pools of money are used or we will use them for similar uses.

Ham Shirvani, Chancellor of the North Dakota University System: I wanted to touch on the Student Government question by Senator Poolman. Some campuses prefer to do referendum and others don't. It is really up to the campuses. One of the great advantages of the NDUS is that the student government is a hardworking group and they are very respectable and represent their constituents.

Vice Chairman Schaible: Three exemptions seems like a lot of exemptions. How often do exemptions come up in the middle of the budget?

Ham Shirvani, Chancellor of the North Dakota University System: I have been in higher education for 33 years and I have seen a lot of fee increases initiated by the students. There are not very many because some are very minor fees. It is the amount of money we should be concerned about, not the number of times we have exemptions.

Johan Mahlum, lobbyist for NDSA at University of North Dakota: I wish to testify in support of SB 2094 and a comment on the question by Senator Poolman. The problem with

student elections is that the turnout is very low. He said a small opposition group could kill any kind of project. I feel there does need to be the exemptions in place and I feel the Student Senate is the best way to do that because there are systems in place so students can voice their opinions at the time of the election.

Chairman Flakoll: My fear is that the student governing body would assign it to a small committee and they vote 3 to 2 to go ahead with the fee.

Johan Mahlum, lobbyist for NDSA at University of North Dakota: At UND, things that go through the committee have to make it through the main body of the senate.

Chairman Flakoll: My concern is that juniors and seniors could vote for something they will never have to pay.

Chairman Flakoll: Are the online students represented on most or all of the Student Government governing bodies?

Johan Mahlum, lobbyist for NDSA at University of North Dakota: At UND it goes off of the school you are in so if you were a Distance Education Student for Education you would fall primarily underneath the school which you are taking classes for. They are eligible to vote through the online systems.

Senator Luick: Could someone touch on the expiration date and why is there controversy on that?

Johan Mahlum, lobbyist for NDSA at University of North Dakota: We are pushing for the permanent enactment.

Chairman Flakoll: Those testifying so far believe it should go into said that it is perpetuity.

Johan Mahlum, lobbyist for NDSA at University of North Dakota: In response to Senator Heckaman's question, the emergency clause was put in there specifically so it would take effect immediately as opposed to having to wait until August.

Robbie Lauf, North Dakota State University's Governmental Relations and Intercollegiate Affairs Executive and Head Delegate at NDSA- I want to share an experience about Senator Poolman's issue on if it is better to have a referendum on the issues. In my experience the larger things like a new union referendum votes work well. If it doesn't grab the attention of the students you could get a small amount of votes. Homecoming Court will get thousands of votes but student government issues will get about forty. The student fee advisory board is half student government members and half members of the student body. They look at looks at all of the fees and every year and last year it was recommended and passed to keep fees at a manageable level. Larger issues should be voted on

Chairman Flakoll: Mr. Lauf what would your reaction be if there was an amendment that would have a threshold for percentage wise or dollar wise that would require a popular vote of the student body.

Robbie Lauf, North Dakota State University's Governmental Relations and Intercollegiate Affairs Executive and Head Delegate at NDSA- I would want to see the exact figure to see what the number would be but large numbers should be going to the vote of the student body.

Chairman Flakoll: Do you have a recommendation?

Robbie Lauf, North Dakota State University's Governmental Relations and Intercollegiate Affairs Executive and Head Delegate at NDSA- We do not have a recommendation at this time.

Senator Heckaman: Are the students worried that program fees are going to be increased?

Robbie Lauf, North Dakota State University's Governmental Relations and Intercollegiate Affairs Executive and Head Delegate at NDSA- We believe that we have the capabilities to have oversight over the process. We are very comfortable with how it is set up but feel like mandatory fees is the best way to look at that situation.

Chairman Flakoll: Does anyone else wish to speak in support of the bill? Does anyone wish to speak in opposition of the Senate Bill 2094? Seeing none we will close the hearing on SB 2094.

Chairman Flakoll: Senator Heckaman will you work on amendments?

Senator Heckaman: Sure I will. My question is about the timeline on this. The way it was written is through 2015. Is it the policy bills that take affect August 1st because we would actually have a lapse of a month?

Chairman Flakoll: Our intent would be to make it seamless.

Senator Heckaman: We want to make it written so we don't have that lapse of a month in there. Do we want to leave the emergency clause on there?

Chairman Flakoll: That will be a question for Anita.

Senator Poolman: As a former student body vice president I feel it is easier for Student Government to convince to convince Student Government they were improving the campus and they were making good choices and deciding to pass a mandatory fee was easier for Student Government to do than it would be had they put it to a vote of the entire student body. If it is worthy enough I would like to see a threshold for a whole student vote is if we are talking about amendments I would like to see student demand of evidence by a campus wide student election.

Chairman Flakoll: One thing worth noting is that we won't be taking up this bill this morning because any amendments that have been suggested can't be drafted in that time.

If you want to chat with some other people like committee members or consult with the student leaders. If it works out you can combine your amendment with Senator Heckaman's or they could be combined later. Anything else on that bill?

Chairman Flakoll: We will come back at 2:00 pm after the joint session in the house. With that we will adjourn.

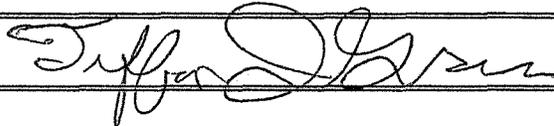
2013 SENATE STANDING COMMITTEE MINUTES

Senate Education Committee
Missouri River Room, State Capitol

SB 2094
1-15-13
17189

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

Relating to mandatory fees assessed by institutions of higher education; to provide an expiration date; and to declare an emergency

Minutes:

You may make reference to "attached testimony."

Chairman Flakoll: We will call the meeting to order on SB 2094. I would ask Senator Heckaman to pass out her amendment.

Senator Heckaman: I have an amendment to offer. **I move adoption of amendment 13.8007.01001 to SB 2094**

Senator Marcellais: Second

Chairman Flakoll: Any Discussion? Seeing none I will ask the clerk to take the roll?

A Roll Call Vote was taken: 6 yeas 0 nays 0 absent

Chairman Flakoll: Senator Poolman has a set of amendments to offer

Senator Poolman: The amendment I have would make it more difficult to raise student fees. Our students who testified agreed with this. With that I will leave it open for discussion

Senator Heckaman: I have a concern with this because it only requires a vote on student demand. It wouldn't be extraordinary circumstances. Or am I mistaken on that? This would only work if the students requested a fee change, not if the board of higher education requested a fee change. I think you want it for it for both.

Senator Poolman: It wasn't necessarily my intent but it sounds much better.

Chairman Flakoll: Senator Poolman as a friendly amendment would you accept on line 15 overstrike the word or and insert the word and.

Senator Poolman: I would absolutely.

Chairman Flakoll: This would require student approval in both cases. Senator Poolman go ahead if you wish to offer up your amendment please.

Senator Poolman: I move to adopt the amendment and strike line 16 and 17 and change the or in line 15 to and so that the intent to make sure students have to vote on their increases in student fees is anything that is over the 1%.

Seconded by Vice Chairman Schaible

Chairman Flakoll: Any discussion?

A Roll Call Vote was taken on the Poolman amendment: 6 yeas 0 nays, 0 absent.

Chairman Flakoll: Does anyone else have any amendments? I would entertain a motion.

Senator Marcellais: A motion to approve SB 2094 with the amendments we discussed

Seconded by Senator Poolman

A Roll Call Vote was taken for a Do pass to SB 2094: 6 yeas 0 nays, 0 absent.

Senator Marcellais will carry the bill.

January 15, 2013



Handwritten signature and date: 1/15/13

PROPOSED AMENDMENTS TO SENATE BILL NO. 2094

Page 1, line 2, remove "to provide an expiration"

Page 1, line 3, remove "date;"

Page 1, line 7, overstrike "**(Effective through June 30, "**

Page 1, line 7, remove "**2015**"

Page 1, line 7, overstrike the boldfaced closing parenthesis

Page 1, line 15, overstrike "or" and insert immediately thereafter "and"

Page 1, line 16, overstrike "or formal action by"

Page 1, line 17, overstrike "an institution's student governing board or committee"

Renumber accordingly

Date: 1-15-13
Roll Call Vote #: 7

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2094

Senate Education Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken adopt amendment # 1 B.8002.0100

Motion Made By Heckaman Seconded By Marcellais

Senators	Yes	No	Senator	Yes	No
Chairman Tim Flakoll			Senator Joan Heckaman		
Vice Chairman Donald Schaible			Senator Richard Marcellais		
Senator Larry Luick					
Senator Nicole Poolman					

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 1-15-13
Roll Call Vote #: 2

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2094

Senate Education Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken _____

Motion Made By Poolman Seconded By Schaible

Senators	Yes	No	Senator	Yes	No
Chairman Tim Flakoll			Senator Joan Heckaman		
Vice Chairman Donald Schaible			Senator Richard Marcellais		
Senator Larry Luick					
Senator Nicole Poolman					

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Students have to vote on
fee increases over 10%

Date: 1-15-13
Roll Call Vote #: 3

2013 SENATE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2094

Senate Education Committee

Check here for Conference Committee

Legislative Council Amendment Number 13.8007.01002

Action Taken Do Pass as amended

Motion Made By Marcellais Seconded By Poolman

Senators	Yes	No	Senator	Yes	No
Chairman Tim Flakoll	✓		Senator Joan Heckaman	✓	
Vice Chairman Donald Schaible	✓		Senator Richard Marcellais	✓	
Senator Larry Luick	✓				
Senator Nicole Poolman	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Marcellais

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2094: Education Committee (Sen. Flakoll, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2094 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "to provide an expiration"

Page 1, line 3, remove "date;"

Page 1, line 7, overstrike "**(Effective through June 30, "**

Page 1, line 7, remove "2015"

Page 1, line 7, overstrike the boldfaced closing parenthesis

Page 1, line 15, overstrike "or" and insert immediately thereafter "and"

Page 1, line 16, overstrike "or formal action by"

Page 1, line 17, overstrike "an institution's student governing board or committee"

Renumber accordingly

2013 HOUSE EDUCATION

SB 2094

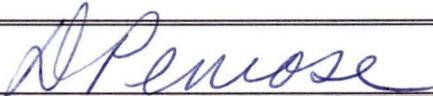
2013 HOUSE STANDING COMMITTEE MINUTES

House Education Committee
Pioneer Room, State Capitol

SB 2094
March 18, 2013
20126

Conference Committee

Committee Clerk Signature



Minutes:

Ch. Nathe: We will open the hearing on SB 2094.

Larry Skogan, President, Bismarck State College: Explained the bill; last legislative session we were asked to cap the mandatory amount of fees, other than program specific fees, which an institution under the control of the State Board of Higher Education, assesses each full-time and part-time student may not increase from academic year to the ensuing academic year by more than 1%. The purpose of this bill, submitted by the University System, was to codify that so that it would then be law and the University System and presidents are supportive of that.

Rep. Meier: So far, with what we passed last session, that's going well with the fees.

Larry Skogan: Yes.

Ch. Nathe: Thank you for explaining the bill. Testimony in support.

Rep. Heilman: In regard to line 16 and 17, removal of the language "or formal action by an institution, student governing board or committee".

Ch. Nathe: Testimony in opposition.

Larry Skogan, President, Bismarck State College: Opposed (see attached 1).

Rep. Heilman: That was my concern with the bill as well. Would you foresee any availability or options in this regard to a new fee being assessed, like a fee increase to cover inflationary costs?

Larry Skogan: I think the language in the bill, as originally written, covers that and that is, it's an either/or proposition. I think the administration and the student governing body need to have the option with various fees, where a decision can be made, that "yes, in fact we should take this to the entire student body", as opposed to just taking it to the Board of Governors in our case, or the student government at whichever university. Also, it's complicated by the fact that it is going to be different at each school. There is a vast difference in student bodies in a predominantly residential university like NDSU is, as opposed to any of your two year institutions,

where we have many part-time students where many of the students are not residents. We're at nearly 4,000 students and we have 300 that actually live on campus. That's vastly different than what you see at the larger universities. As originally written, this bill gave administrations and student body governments to do one or the other. I think through the deliberative process, administration working with the student government can make the decision that it should go to student vote. I know NDSU has done that, UND has done it on their Wellness fee I believe. They can make that decision. We should have that flexibility to make that decision.

Rep. Heilman: How do you respond Larry, to the comments recently that student governments are puppet organizations for the university administration and that they could come in and refute this clause because they would say that you have more influence over a small board than you would over the student body. What is your comment as a president?

Larry Skogan: My response is that has not been my experience. I find that student body governments are very deliberate in their processes, they are very proud of their representative role that they perform on the campus, and when I've gone to the student government and have had these kinds of discussions, before the votes I have been very nervous sometimes, because you're not really sure how the vote is going to go. I think it really depreciates the role that our students play to say that they are just puppets to the presidents/administration.

Ch. Nathe: What is the background on why the amendment was made?

Larry Skogan: I have no idea.

Rep. Mock: The bill originally just came in as just removing the sunset. When Bismarck State had mentioned the challenges with the new Memorial Union, it was documented extraordinary circumstances or the campus-wide election or a decision by the governing body. Do you present evidence, or the documented-extraordinary circumstances, or evidence of documented-extraordinary circumstances to the governing body if you're seeking their permission to go above the 1% limit.

Larry Skogan: Absolutely. That is what we did in that case. We sat with the Board of Governors, we presented the plans to them, we presented what the issue was and honestly in this particular case, our student union is so undersized to our student body that the evidence was very clear to the students.

Rep. Mock: If we were to leave, on line 15, "and"; change "or" to "and" and remove the overstruck language in lines 16 and 17, would Bismarck State College have any opposition to that.

Larry Skogan: If you changed the "or" to "and" on line 15 would be okay.

Rep. Rohr: When I first read the bill, I wanted to know, can you define mandatory fees. What constitutes a mandatory fee? You have tuition, program specific fees, and now we have mandatory fees.

Larry Skogan: There is no elevator talk for how higher ed. funds itself on each campus. A campus has the tuition rate, then the program fees; so a student taking welding has a program fee, and then you have course fees, someone taking a particular biology lab has a particular fee that goes with that course. There are program fees, course fees and then the mandatory fees are fees that every student pays. If they are enrolled in BSC or any of the other institutions, they will pay this mandatory fee. We have a college fee, for example, every student pays for it. We have the Connect ND fee. Every student in the ND University System pays that fee. A mandatory fee is that every person who becomes a student of an institution pays that fee. Here's where we're trying to move now. We've been working with the chancellor now, and I'm trying to establish a basic tuition at the various different institutions and then to roll in the program and course fees, so that it is more transparent so when a student and parents take a look at the tuition fees, they know what they are going to be paying at a school and not be surprised when they show up and find that "you are taking biology, well then you have another fee". We're trying to roll all of the fees together. We have been working with Tamara Barber, who is with me, has been working very, very hard to do that at Bismarck State and we're hoping that we will be able to move there quickly. Then the situation will be where you will have tuition, and then mandatory fees, and there won't be the course-specific fees or the program fees.

Rep. Heller: I noticed the original version of this bill had a sunset clause, only effective through June 30, 2015. Do you have any idea why that was taken off?

Larry Skogan: I do not.

Rep. Rust: I'm referring to one of the last sentences of your testimony which says "or recommend a Do Not Pass" on it. If we were to do a Do Not Pass, since line 7 has an effective date through June 30, 2013 in it currently that would mean that the entire bill, the complete section of law would go away.

Larry Skogan: Yes, it is a sunset law last time. We agree with this 1%. We're in complete agreement with doing it. It's the amendment that has created the problems for us.

Rep. Rust: So we probably don't want to give it a Do Pass as much, at a minimum, you would probably like to see that overstrike on line 7 stay in.

Ch. Nathe: I think Dr. Skogan would like to see this bill go back to its original form. They support the original form.

Rep. Rust: With line 7 being gone.

Ch. Nathe: Correct, without the amendments on it.

Rep. Heller: So then to be clear, are you saying that you like the sunset in there, because the original bill had a sunset June 30, 2013.

Larry Skogan: We are completely supportive of this being codified. That if we're going to increase more than 1%, we should work with the student governments in our view, or with a campus wide election to get student approval of that.

Rep. J. Kelsh: You had kind of compared the student governing body to a mini-legislature. They deliberate; I don't know if they take testimony, etc. from different student groups or students and make a decision. Have you ever had the time when a decision made by that governing body felt wrong by the students and they tried to change it, or get them to change it. Do they have any options of referring the decision of the governing board? What is the fear?

Larry Skogan: I don't know if fear is the right term. Clearly I know of no situation where our student board of governors has made any decision, either as a decision or as a recommendation to the administration that the student body has gotten the pitchforks and torches out and marched on the student body. I do know that the student governing body is very deliberative. I know when we worked with them a few years ago on some fees, they held forums, went to the classrooms, took surveys; they were very deliberate in gathering information from the student body. As I mentioned earlier, it is a very complex situation for particularly a two year college to try to do a student campus-wide election because so many of our students are part-time, they work full-time. Their focus isn't necessarily on the 3 to 6 hours that they are taking on campus. They're working 40 hours someplace else and it becomes very complex for us to try to do a campus wide election. That doesn't mean we wouldn't do one and that would certainly come out of conversation with the student board of governors, if they felt it was that required a vote. I know that NDSU and UND have both done that in the past.

Ch. Nathe: Thank you.

Dean Brescieni, President, ND State College: Opposed (see attached 2, which was read by Larry Skogan).

Ch. Nathe: Thank you. Further testimony in opposition. We will close the hearing on SB 2094.

2013 HOUSE STANDING COMMITTEE MINUTES

House Education Committee
Pioneer Room, State Capitol

SB 2094
March 19, 2013
20175

Conference Committee

Committee Clerk Signature



Minutes:

Ch. Nathe: Let's take a look at SB 2094. This bill is about mandatory fees by the University System. We heard from some presidents who didn't like the changes that the Senate made, which was originally on lines 16 and 17, striking out the wording. They were fine with the original bill.

Rep. Mock: If we were to remove the overstrike on lines 16 and 17, and I don't know if we want to touch line 15, I don't know. They said they have no problem with it, because they have to document extraordinary circumstances anyway. If it were to read, "Documented extraordinary circumstances; and student demand, as evidenced by a campus-wide student election or formal action by an institution's student governing board or committee." It sounds like they were okay with that. Also to remove the sunset clause. They seemed to be okay with removing the sunset altogether. I move that amendment of removing the overstrike on lines 16 and 17.

Rep. Heilman: Second the motion.

Rep. Meier: I also had on line 15 to remove the overstrike on "or".

Ch. Nathe: He talked about leaving "and" in there, because the schools were fine with that wording. We will take a voice vote. Motion carried. We now have the SB 2094 as amended. What are the committee's wishes in regard to SB 2094?

Rep. J. Kelsh: I move a Do Pass as amended.

Rep. Heilman: Second the motion.

13 YES 0 NO 0 ABSENT

DO PASS AS AMENDED

CARRIER: Rep. Mock

March 19, 2013

VR
3/19/13

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2094

Page 1, line 16, remove the overstrike over "~~or formal action by~~"

Page 1, line 17, remove the overstrike over "~~an institution's student governing board or committee~~"

Re-number accordingly

Date: 3/19/13

Roll Call Vote #:

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2094

House _____

EDUCATION

Committee _____

Check here for Conference Committee

Legislative Council Amendment Number 13.8007.02001 03000

Action Taken: Do Pass Amended Rerefer to Appropriations

Do Not Pass Adopt Amendment

Motion Made By Rep. Mock Seconded By Rep. Heilman

Representatives	Yes	No	Representatives	Yes	No
Chairman Mike Nathe			Rep. Bob Hunsakor		
Rep. Mike Schatz			Rep. Jerry Kelsh		
Rep. Joe Heilman			Rep. Corey Mock		
Rep. Brenda Heller					
Rep. Dennis Johnson					
Rep. Ben Koppelman					
Rep. Lisa Meier					
Rep. Karen Rohr					
Rep. David Rust					
Rep. John Wall					

TOTAL (YES) _____ (NO) _____ (ABSENT) _____

FLOOR ASSIGNMENT _____

If the vote is on an amendment, briefly indicate intent:

Voice vote, motion carried.

Date: 3/19/13

Roll Call Vote #: 1

2013 HOUSE STANDING COMMITTEE
ROLL CALL VOTES

BILL/RESOLUTION NO. 2094

House _____ **EDUCATION** _____ Committee

Check here for Conference Committee

Legislative Council Amendment Number 13.8007.02001 03000

Action Taken: Do Pass Amended Rerefer to Appropriations

Do Not Pass Adopt Amendment

Motion Made By Rep. Kelsh Seconded By Rep. Heilman

Representatives	Yes	No	Representatives	Yes	No
Chairman Mike Nathe	✓		Rep. Bob Hunsakor	✓	
Rep. Mike Schatz	✓		Rep. Jerry Kelsh	✓	
Rep. Joe Heilman	✓		Rep. Corey Mock	✓	
Rep. Brenda Heller	✓				
Rep. Dennis Johnson	✓				
Rep. Ben Koppelman	✓				
Rep. Lisa Meier	✓				
Rep. Karen Rohr	✓				
Rep. David Rust	✓				
Rep. John Wall	✓				

TOTAL (YES) 13 (NO) 0 (ABSENT) 0

FLOOR ASSIGNMENT Rep. Mock

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2094, as engrossed: Education Committee (Rep. Nathe, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2094 was placed on the Sixth order on the calendar.

Page 1, line 16, remove the overstrike over "~~or formal action by~~"

Page 1, line 17, remove the overstrike over "~~an institution's student governing board or committee~~"

Renumber accordingly

2013 CONFERENCE COMMITTEE

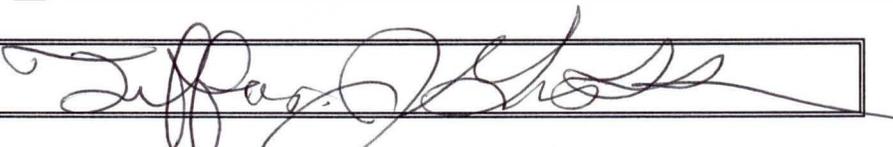
SB 2094

2013 SENATE STANDING COMMITTEE MINUTES

Senate Education Committee
Missouri River Room, State Capitol

SB 2094
4-08-13
20957

Conference Committee

Committee Clerk Signature 

Explanation or reason for introduction of bill/resolution:

Relating to mandatory fees assessed by institutions of higher education; to provide an expiration date; and to declare an emergency.

Minutes:

You may make reference to "attached testimony."

Chairman Schaible: All are present and accounted for

Representative Heilman: This was at the request of our Universities. The House felt the Student Governing body should have the authority to raise funds if necessary. Putting a vote for every fee increase would be daunting. We felt we should not micromanage the approvals.

Chairman Schaible: How often do these happen and why might they happen?

Representative Heilman: Every institution has their own policy but at NDSU we would get presentations from the directors of the budgets for the mandatory fees. We analyze the budget in our own finance committees and we would take that up as a vote. It was a very thought out process.

Chairman Schaible: Who determines when it should be a fee?

Representative Heilman: It depends. The approval of the building of the Memorial Union and to have it supported by student fees was done by a student vote. The funding mechanism for that was a mandatory fee and the students approved that. The groups bring in a budget and we analyze it.

Rep. Meier: I feel Rep. Heilman did a good job explaining how the House felt about putting "and" in.

Chairman Schaible: Some things should be required to go to the vote of the entire body. In the past, some of the college fees were thought to be out of control. I am not saying we need to micromanage but it seems it may be appropriate for the body to vote on some of the issues.

Rep. Heilman: Maybe that would be for a new fee or a new project. I have a hard time saying the increase of any mandatory fee can't be done without a student body vote. There are a significant amount of them and we feel existing fees should be made by the governing body.

Chairman Schaible: If you start taking a percent increase of large numbers, it adds up. At what point should it be sent to the vote of the students?

Rep. Heilman: Informing the student body of asking them to take place isn't reasonable every time.

Vice Chairman Schaible: If it was required the vote be taken on these, it would force whoever is deciding on the increase to be more upfront. If you vote once a year, wouldn't that force whoever is doing that to get a handle on the fees rather than request that after the fact?

Rep. Heilman: Some of these campuses may have a referral project. You have to consider turnout for full campus votes is usually around 18%. I think the student governing board making an approval is sufficient.

Senator Poolman: I will explain why we took that out. When we were involved in student government it seemed like an extension of the administration. They would wine and dine us and tell us their idea was a great move. Year after year we saw multiple fees at UND. It seemed to be a way for universities to get their money from tuition and legislature but they could still build something in addition. Where is the line? Where is our ability to say what is allocated to you is what is spent?

Rep. Heilman: I can see perhaps where that would be an impression. My experience was completely different. We had several fee increase requests. One example was the library fee increase. In the end the presentation wasn't good enough in our opinion for the library so we denied it, even though it went up \$0.50 to a total of a \$1 on a per credit basis. We took every request seriously. We need to put more trust in the elected student officials. I think this is micromanaging.

Rep. Meier: One thing to consider is that two year campuses are a little different. I went to a two year campus and student involvement is very important. I think they need some leverage in this decision. You are looking at two different types of processes.

Chairman Schaible: Do you feel that they have pressure from the school to cave in on the fee increases?

Rep. Heilman: Sure. Anytime you look at a budget there is pressure. I never felt as though if I didn't give them the increase, it was the end of the world. They were always educating me and sometimes we would go shave things off.

Rep. Mock: Did the Senate hear testimony where an institution had authorized an increase greater than 1% and there was disappointment or backlash from the student body?

Senator Marcellais: Dickinson wanted more involvement with the students having a say in this.

Chairman Schaible: We heard several testimonies that the students wanted more of a voice for the fees.

Rep. Mock: Who came in from Dickinson? Was it the student body?

Senator Marcellais: It was the president of their student body. They were concerned about the fees and wanted more of a voice.

Rep. Meier: Were the concerns for two or four year schools?

Senator Marcellais: It was for all schools.

Rep. Heilman: That is why we put this bill in. The campuses are fine with a 1% cap but want to use their mechanisms for extenuating circumstances to approve some of these things. I would feel uncomfortable taking away the approval mechanism. Mandatory fees are something that all students have the ability to benefit from. I would be afraid of subjecting those to a vote.

Senator Poolman: It is a wonderful idea. However, in the first biennium 3 out of 11 campuses raised their fees from the 1% cap. I would like to see that and stay in there. This is when something is extraordinary in terms of need and going to the students is important to me.

Rep Meier: One of the concerns with the two year institutions was the whole student body isn't there very much. You don't have the same type of students as a four year.

Chairman Schaible: Do you have off campus representation for student government? That is a concern also.

Rep. Heilman: Most of the governing boards that I know have some type of residency representation and then another section of their student senate has academic representation. There is residential and collegiate academic representation in the student governing boards. I wasn't the prime sponsor last session but when I signed on I was worried about the 1%. The memorial union at NDSU is completely funded by the student fee. We are paying for people and facility upkeep and several things. 1% is not very much. I wanted to send a message from the legislature that we need to be responsible about the fees. We also put in a study. I don't want to micromanage the approval process.

Rep. Mock: I want to emphasize the change in this bill is changing "or" to "and" because when we had or, that was placed in there as a way to leapfrog the student population. We are now saying they always must go to the students. That is a significant policy change. I feel more comfortable changing "or" to "and" and if more challenges arrive, we can come back in two years. Instead of making two major changes we should limit it to one change. We do have the support of the student association.

Senator Poolman: I could live with something like that but I want to point out that we are talking about total fees of 1% of the tuition rate which is still a significant increase. I could live with the "and".

Chairman Schaible: Closed the conference committee hearing.

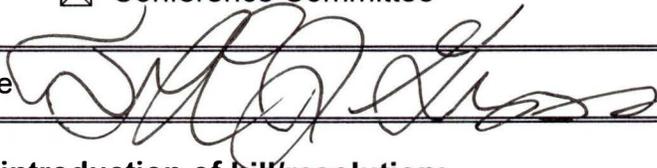
2013 SENATE STANDING COMMITTEE MINUTES

Senate Education Committee
Missouri River Room, State Capitol

SB 2094
4-11-13
21120

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 15-10.3-03 of the North Dakota Century Code, relating to mandatory fees assessed by institutions of higher education; and to declare an emergency.

Minutes:

You may make reference to "attached testimony."

Chairman Schaible: Called the committee to order. All members were present.

Chairman Schaible: The Senate's biggest concern was capital projects so I would suggest requiring the student body to vote on capital building projects or remodeling of capital projects of a million dollars or more.

Rep. Heilman: Just to clarify you are talking capital projects or renovations that would be supported by a mandatory fee or fee increase? A mandatory fee increase has to fit in with this section. I don't have as much heartburn with that. The only concern is President Skogen has asked us to deal with their Union.

Rep. Mock: If we work that in, I assume if a college has a renovation or project supported by student fees, but wouldn't go beyond that 1%, that would not need to go to a vote. This would be only if it places the fee increase in excess of the 1% cap.

Chairman Schaible: That would be correct. Large projects like Unions and Wellness Centers.

Rep. Heilman: Did you want the wording to be any new capital project or do you want it to fit into the section of the 1% of tuition. The problem is that 1% of tuition at Bismarck State College is different than 1% of tuition at NDSU. It may or may not mean for a much larger or smaller project.

Chairman Schaible: We will have to discuss that. We think the limit of 1% and the student body government is fine with that, we just worry about the larger projects. Whatever the correct amount and language is, I am not sure. I would say any new projects. I don't think you build much of a building anymore for under a million dollars. If not we can have Anita

Thomas look at the language and give us some suggestions rather than trying to reinvent the wheel.

Rep. Meier: If we look at your proposed language, I do have a proposed amendment for Bismarck State College. I could pass that out. (Attachment #1)

Rep. Mock: I am looking at the language of the bill and the words documented extraordinary circumstances still jump out at me. In the House version in order for the variance to be granted, it would have to be approved by either the governing body or by a campus wide vote and be necessitated by the result of a documented extraordinary circumstance. Building a building for the sake of building a building and raising the fees greater than 1% may not meet the requirement of a documented extraordinary circumstance. Perhaps the very minor and subtle change of "or" to "and" may have greater unintended consequences than we originally expected. When this was originally passed the documented extraordinary circumstances was meant to go to the board and explain a building caved in or whatever the case may be. Now we are saying you have to have that extraordinary circumstance to go above the 1% cap, and you have to have the approval of either the student governing body or campus wide vote.

Senator Poolman: I agree with Rep. Mock. I think that comes back to our discussion of the importance of changing that "or" to an "and" really takes care of that concern.

Rep. Heilman: Does the documented extraordinary circumstance as written assume board approval of the documented circumstance? The board will have to have a policy to determine extraordinary circumstances. I am okay with what you suggested Senator Schaible. This all goes to the interpretation of what the board is going to do.

Chairman Schaible: Do we need a better explanation of documented extraordinary circumstances? Let's see if Legislative Council is available. What are your feelings on previously approved projects?

Rep. Meier: I think option two would probably be the way to go because then we are looking at any North Dakota University System institution's projects receiving prior approval and are exempting them from this act.

Chairman Schaible: What date are you looking at for the effective date?

Rep. Meier: I would say prior to this legislative session

Rep. Mock: If option two would be included as a section two of the bill, I would say it should apply to all projects approved prior to the effective date of this act.

Rep Meier: This legislative session would simplify it.

Rep. Mock: Prior to August 1, 2013.

Rep. Heilman: The board of higher education has to approve it. The university has to document extraordinary circumstances. Now we are requiring some form of student input

and approval of that. I guess the real question is, do we trust the board to handle this? If we don't and think they will allow a capital project without legislative approval, we should put in Senator Schaible's request.

Senator Poolman: I think we need to trust the board to do that because if we try to define documented extraordinary circumstances, we will have to come back and clarify what that means so I would be comfortable leaving it undefined and hoping the state board would make good choices.

Rep. Mock: The state board of higher education would have to define what an extraordinary circumstance is and the documentation would show that it met or exceeded the criteria as they defined extraordinary circumstances. If we grandfathered in projects receiving prior approval, would we need the emergency clause? I don't know if that is a necessary element to the bill.

Chairman Schaible: We should take these proposed changes and questions to Anita Thomas, draft an amendment, and go from there.

Rep. Mock: On lines 15-17 the language we will be working with would be the engrossment of 2094 with House Amendments so it would be documented circumstances and receive the approval of either the governing body or a campus wide vote. We are still operating under the 3000 version of the bill.

Senator Poolman: If we are acceding and further amending, do we need to be in charge of getting the amendment?

Chairman Schaible: Anyone can bring an amendment. This option is still open.

Chairman Schaible: Closed the hearing

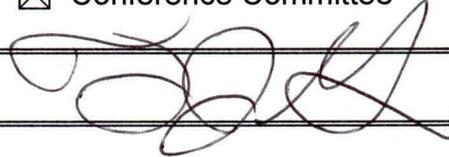
2013 SENATE STANDING COMMITTEE MINUTES

Senate Education Committee
Missouri River Room, State Capitol

SB 2094
4-19-13
21315

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 15-10.3-03 of the North Dakota Century Code, relating to mandatory fees assessed by institutions of higher education; and to declare an emergency.

Minutes:

You may make reference to "attached testimony."

Chairman Schaible: opened conference committee. All members present.

Rep. Heilman: I have two versions (attachments #1 and #2) The two versions say the same thing. I like the 2003 version better.

Rep. Mock: We have been discussing the need to have line 15.

Chairman Schaible: Are we going with "and" or "or"?

Rep. Mock: The version before you changes "or" to "and". Our concern is what is an extraordinary documented circumstance? We think we should remove line 15.

Chairman Schaible: That statement says what the University thinks it says. Your friendly amendment is to remove line 15?

Rep. Mock: I think it would be in the best interest to remove line 15.

Rep. Heilman: I move the house recede and further amend to strike line 15 of the bill and include the language in the 2003 amendment.

Rep. Meier: Second

Rep. Mock: The NDSA adopted resolution in support of this. Thank you for your work on this. Many students were appreciative of this.

A roll call vote was taken for the House to recede and further amend: 6 yeas, 0 neas, 0 absent. Motion Carries. Conference Committee was adjourned.

2013 SENATE STANDING COMMITTEE MINUTES

Senate Education Committee
Missouri River Room, State Capitol

SB 2094
4-23-13
21457

Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact section 15-10.3-03 of the North Dakota Century Code, relating to mandatory fees assessed by institutions of higher education; and to declare an emergency.

Minutes:

You may make reference to "attached testimony."

Chairman Schaible: opened the conference committee. We will reconsider the actions on SB 2094 because the House rejected the report.

Rep. Heilman: We found a technical error. Lines 17 and 18 should not be overstruck in the final version.

Vice Chairman Schaible: I agree.

Rep. Heilman: I am wondering the proper procedure.

Rep. Mock: I move the House recede and further amend SB 2094 by overstriking the language on line 15 of the 2000 version and remove the overstrike on lines 16 and 17 to keep the emergency clause and add the language in the 4000 version.

Rep. Heilman: Second

A roll call vote was taken for the House to recede and further amend: 5 yeas, 0 neas, 1 absent

April 23, 2013



Handwritten signature and date: 4/23/13

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2094

That the House recede from its amendments as printed on page 918 of the Senate Journal and page 1007 of the House Journal and that Engrossed Senate Bill No. 2094 be amended as follows:

Page 1, after line 8 insert:

"1."

Page 1, line 14, overstrike the colon

Page 1, line 15, overstrike "1. Documented extraordinary circumstances;"

Page 1, line 15, remove "and"

Page 1, line 16, overstrike "2. Student" and insert immediately thereafter "student"

Page 1, line 16, remove the overstrike over "~~or formal action by~~"

Page 1, line 17, remove the overstrike over "~~an institution's student governing board or committee~~"

Page 1, after line 17, insert:

- "2. a. Before mandatory fees on students may be increased to support the construction or renovation of a campus building valued at more than one million dollars, the use must be approved by a majority of the students voting on the question at a campuswide election.
- b. This subsection does not apply to any construction or renovation for which the use of mandatory fees was authorized before July 1, 2013."

Renumber accordingly

Date 4-19-13
 Roll Call Vote # 1

**2013 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2094 as (re) engrossed

Senate Education Committee

- Action Taken**
- SENATE accede to House Amendments
 - SENATE accede to House Amendments and further amend
 - HOUSE recede from House amendments
 - ~~HOUSE~~ recede from House amendments and amend as follows
2003 amendments but strike line 15 of bill
 - Unable to agree, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Heilman Seconded by: Meier

Senators	48		49		Yes	No	Representatives	48		49		Yes	No
	✓	✓	✓	✓				✓	✓	✓	✓		
Senator Schaible	✓	✓	✓	✓	✓		Rep. Heilman	✓	✓	✓	✓	✓	
Senator Poolman	✓	✓	✓	✓	✓		Rep. Meier	✓	✓	✓	✓	✓	
Senator Marcellais	✓	✓	✓	✓	✓		Rep. Mock	✓	✓	✓	✓	✓	
Total Senate Vote							Total Rep. Vote						

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Marcellais House Carrier Mock

LC Number _____ of amendment

LC Number _____ of engrossment

Date 4-23-13
 Roll Call Vote # 1

**2013 SENATE CONFERENCE COMMITTEE
 ROLL CALL VOTES**

BILL/RESOLUTION NO. 2094 as (re) engrossed

Senate Education Committee

- Action Taken**
- SENATE accede to House Amendments
 - SENATE accede to House Amendments and further amend
 - HOUSE recede from House amendments
 - HOUSE recede from House amendments and amend as follows
 - Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Rep. Mock Seconded by: Rep. Heilman

Senators		Yes	No	Representatives		Yes	No
Sen. Schaidt	✓	✓		Rep. Heilman	✓	✓	
Sen. Poglman	✓	✓		Rep. Meyer			✓
Sen. Marcellais	✓	✓		Rep. Mock	✓	✓	
Total Senate Vote				Total Rep. Vote			

Vote Count Yes: 5 No: 0 Absent: 1

Senate Carrier Marcellais House Carrier Mock

LC Number 13-8007 of amendment 02005

LC Number _____ of engrossment _____

REPORT OF CONFERENCE COMMITTEE

SB 2094, as engrossed: Your conference committee (Sens. Schaible, Poolman, Lyson and Reps. Heilman, Meier, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 918-1007, adopt amendments as follows, and place SB 2094 on the Seventh order:

That the House recede from its amendments as printed on page 918 of the Senate Journal and page 1007 of the House Journal and that Engrossed Senate Bill No. 2094 be amended as follows:

Page 1, after line 8 insert:

"1."

Page 1, line 14, overstrike the colon

Page 1, line 15, overstrike "1. Documented extraordinary circumstances;"

Page 1, line 15, remove "and"

Page 1, line 16, overstrike "2. Student" and insert immediately thereafter "student"

Page 1, after line 17, insert:

- "2. a. Before mandatory fees on students may be increased to support the construction or renovation of a campus building valued at more than one million dollars, the use must be approved by a majority of the students voting on the question at a campuswide election.
- b. This subsection does not apply to any construction or renovation for which the use of mandatory fees was authorized before July 1, 2013."

Renumber accordingly

Engrossed SB 2094 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2094, as engrossed: Your conference committee (Sens. Schaible, Poolman, Marcellais and Reps. Heilman, Meier, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 918-1007, adopt amendments as follows, and place SB 2094 on the Seventh order.

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- b. This subsection does not apply to any construction or renovation for which the use of mandatory fees was authorized before July 1, 2013."

Renumber accordingly

Engrossed SB 2094 was placed on the Seventh order of business on the calendar.

2013 TESTIMONY

SB 2094

1

North Dakota University System

SB2094 – Senate Education

January 9, 2013

Mr. Chairman and members of the Senate Education Committee. Good morning. My name is Ham Shirvani, Chancellor of the North Dakota University System. Thank you for giving me the opportunity to present information to you today in support of SB2094, introduced by the State Board of Higher Education.

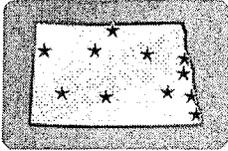
SB2094, as introduced, extends through June 30, 2015, a limitation on mandatory student fee increases. The June 30, 2015 date was an oversight in drafting, and I would ask you to amend the bill to permanently codify this provision.

The legislation originally introduced by Senators Schneider and Flakoll and Representatives Dahl, Heilman, R. Kelsch, and Mock during the 2013 session required the NDUS to publish information on fees on its website. The legislation also limited mandatory fee increases to no more than one percent of the average full-time, resident, on-campus, undergraduate tuition rate, with limited exceptions, which are outlined in the legislation.

During the 11-13 biennium, the NDUS completed and posted a tuition and fee estimator tool on its web site. This site allows users to compare tuition and fee rates between campuses. This site can be accessed at: <http://fees.ndus.edu/>

For academic year 2011-12, the SBHE approved exceptions to the one percent fee limitation at WSC and DSU. Both campuses had support from their student senate for the changes. For academic year 2012-13, one exception was provided to BSC based on extraordinary circumstances related to a legislatively authorized renovation of their Student Union, which was funded through the issuance of revenue bonds.

Maintaining student affordability is a key priority of the NDUS and SBHE. We appreciate your ongoing support of the NDUS and this important legislation. I would be happy to answer any questions.



NDSA

The Voice of the Students

Chairman Flakoll and members of the Senate Education Committee,

My name is Jody Ferris and I am the legislative lobbyist for the North Dakota Student Association and a student at Dickinson State University. On behalf of the over 48,000 students of the North Dakota University System, I am here to give testimony in support of SB 2094, and to offer the committee an amendment that would provide for the permanent re-enactment of Section 15-10.3-03 of the North Dakota Century Code.

Mandatory fees make up a significant part of the cost of a college education. I checked my Campus Connection account before I wrote this testimony, and during the course of my four years at Dickinson State I have paid a total of roughly 4,500 dollars in mandatory fees from my own calculations. (I simply added together all of the charges on my account that had the words mandatory fee in the title).

As students, we understand that mandatory fees are a necessary contribution to our universities. However, we strongly support the continued capping of these fees that SB 2094 proposes. This limitation prevents mandatory fees from increasing in an overly dramatic fashion that could put a financial burden on North Dakota University System students which they may not be able to adequately prepare for. A limitation on mandatory fee increases allows students to better predict the costs of a college education so they can make the most effective plans possible to finance their education.

The students of the North Dakota University System also support the exemptions to the fee limitations that are currently present. We agree that extraordinary circumstances that are outside institution control may warrant an increase in mandatory fees in case of emergency or unexpected circumstances. We also strongly support the exemption that mandatory fees may be raised if student demand suggests that an increase is necessary.

While we support the intent of SB 2094, the students of the North Dakota University System encourage the committee to consider taking actions that will keep the cap on mandatory fee increases permanently in place, rather than expiring on June 30, 2015.

I would like to thank the committee for their time, I will now stand for any questions.

Jody Ferris

North Dakota Student Association Legislative Lobbyist

Bismarck State College
North Dakota Senate Bill 2094
Testimony to the House Education Committee

Larry C. Skogen, Ph.D.
President, Bismarck State College
March 18, 2013

Mr. Chairman and committee members,

I am Larry Skogen, president of Bismarck State College. I am here today to testify about BSC's concerns with Engrossed Senate Bill No. 2094.

We have no qualms with the requirement to work with students relative to any mandatory fee increase that would exceed 1% of the latest available average full-time, resident, on-campus, undergraduate tuition rate at our campus. Our problem is with the amendment on the engrossed bill that limited the student demand for the increase as evidenced by a campus-wide student election. As you know, the original bill allowed that student demand to be evidenced by formal action by the institution's student governing board or committee. BSC's specific objections to the bill as engrossed are two:

First, student bodies have governing boards or committees that function as deliberative and decision making bodies much as our state has a state legislature. The students in our governing board, called the Board of Governors, take their responsibilities—as all of you do—very seriously. My administration interacts with the student Board of governors on issues of concern to our students and on the issues necessary for the proper administration of our campus. As you know, at times these issues can be very complex. On the issues they deal with the students on our Board of Governors seek input from their fellow students, from faculty, staff, and administration. By the time they take formal action, they've thoroughly vetted issues, have a deeper understanding of what is at stake, and make decisions in a thoughtful and serious manner. To move that decision making

process to the entire student body is, we believe, moving in the wrong direction of good campus governance.

Forty-five percent of our students are part-time students, many working full-time jobs. To ask them to take the time to understand issues relative to funding campus projects and activities that are paid by fees is, we believe, asking much of them. We fear that to reach such students turns this important process of campus governance into a PR campaign to gain needed votes, as opposed to an educational process deliberated in the student governing body. Thus we believe that this bill, as engrossed, depreciates the process for campus governance and does not enhance it.

Secondly, BSC has a particular problem should this engross bill pass as now written. In 2010 we worked with the Board of Governors to get support for an increase in our mandatory College Fee to fund a much needed expansion of our Student Union. In 2011 this body authorized us to pursue the project through bonding. In 2012 the SBHE authorized us to proceed with the project and issue bonds with a fee increase to begin in fall 2013. We subsequently issued the revenue bonds to fund the project. In December 2012 we awarded the bids for the project and will begin construction next month.

All these activities with this project were pursuant to our working with the Board of Governors for the increase in the fee required to pay back the bonds. Now Legislative Council advises us that if Engrossed Senate Bill No. 2094 passes, we would have to hold retroactively a campus-wide student body election, keeping in mind that construction is to begin next month and we have already established the revenue bond debt. We will be in a most difficult financial position should this happen.

We encourage you to restore the original language in SB 2094 or recommend a do not pass on it.

Thank you for your time.

North Dakota State University
North Dakota Senate Bill 2094
Testimony to the House Education Committee

Dean L. Bresciani
President, North Dakota State College
March 18, 2013

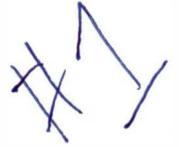
Dear Committee Members-

Please accept NDSU's apologies for travel complications preventing us from being there this morning, however, we would like to share some observations and concerns regarding the legislation at hand:

- 1) We have no issue with the philosophy nor practice of a 1% cap, but we do question the commendability of the new stipulation that any proposed exemption would trigger an "all student" vote.
- 2) Students (like citizens at large), through an extensive process, elect others to represent them.
- 3) Our student representatives take that responsibility VERY seriously and apply a level of diligence, thoughtful study, and careful evaluation to their work that is nothing short of impressive.
- 4) NDSU students at large have never in any recent memory taken issue with the position of their student representatives.
- 5) An at-large student vote would risk turning the process from one of well-informed decision making in to what would likely become a marketing campaign directed at uninformed students at large.
- 6) We believe that potential exceptions to the 1% cap, supported by educated and informed representative decision making by elected student leaders, is the far more appropriate, efficient productive approach to make major policy decisions informed by student opinion.

Thank you for your consideration.

Dean L. Bresciani, President
NORTH DAKOTA STATE UNIVERSITY



Proposed Language for SB2094

Option 1

Bismarck State College Student Union Renovation and Expansion Project is excluded from this act.

Option 2

Any North Dakota University System institutions' projects receiving prior approval through the recognized student government is exempt from this act.