

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER
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DESCRIPTION

4027

2007 SENATE EDUCATION

SCR 4027

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 4027

Senate Education Committee

Check here for Conference Committee

Hearing Date: February 21, 2007

Recorder Job Number: 3612, 3621

Committee Clerk Signature

Minutes:

Chairman Freborg opened the hearing on SCR 4027, a resolution to study the feasibility and desirability of Bismarck State College becoming a four-year baccalaureate degree-granting institution. Senator Taylor was absent.

Senator Potter introduced the bill. (Written testimony attached)

Kelvin L. Hullet, President of the Bismarck Mandan Chamber of Commerce testified in favor of the bill. (Written testimony attached)

Senator Bakke asked if there will need to be a substantial investment in faculty, buildings, curriculum.

Mr. Hullet said first we have to engage in conversation; is it possible, what changes would need to be made to the mission statement, what resources would be needed?

Pat Seaworth, legal counsel for the Board of Higher Education, testified in a neutral position.

He is representing President Paulsen who is at a meeting in Mayville where they are naming a new president. He presented testimony from President Paulsen. (Written testimony attached)

He mentioned Bismarck State currently offers a 4 year degree in Basic Applied Science in

Energy Management. A study has been added to HB 1003, to study higher education in depth. President Paulsen would be pleased to come at another time for further discussion.

Senator Gary Lee asked if the study in 1003 would adequately deal with what is being asked for here.

Mr. Seaworth said yes, the language is broad enough to cover what is requested here.

Senator Flakoll said the 50% language from his testimony, would that increase or decrease with the changes recommended in this resolution?

Mr. Seaworth said the point is that in conjunction with expanding the mission statement of any institution, there is a need to evaluate if there is adequate funding of our current institutions.

70% of cost in higher education is personnel. The cost of personnel would go up due to accreditation requirements; some PhD's would be required for teaching.

Chairman Freborg closed the hearing on SCR 4027.

Senator Bakke asked about HB 1003. She would like to see it.

The intern found a copy of the portion of the bill that pertains to the study. (Attached)

Senator Bakke said since this is a narrow focus; we need to take a broader look at higher education.

Chairman Freborg said the council could put the two together.

Senator Bakke asked if 4027 and 1003 were both passed, would legislative council put them together.

Chairman Freborg said 1003 will pass.

Senator Flakoll said 4027 asks to consider a study, 1003 mandates a study. 1003 is more comprehensive. We don't need 4027 if we have 1003.

Senator Bakke moved a Do Pass on SCR 4027, seconded by Senator Flakoll.

Senator Bakke said this gives the option of looking at a technical school at Bismarck State, it is opening the door for possibility and it is never wrong to open discussion.

Senator Gary Lee said 1003 covers what they are asking to do; we need to look at the whole system. He won't support the motion.

The motion failed 2 -2 -1.

Senator Gary Lee moved a Do Not Pass on SCR 4027, seconded by Senator Flakoll.

Senator Bakke said 1003 does not have the same twist with the technical specialty for Bismarck State and they might not think of it.

The motion failed 2-2-1.

Senator Flakoll moved that the committee send SCR 4027 to the floor without committee recommendation, seconded by Senator Bakke. The motion passed 3 -1 – 1. Senator Bakke will carry the resolution.









REPORT OF STANDING COMMITTEE (410)  
February 21, 2007 4:05 p.m.

Module No: SR-33-3638  
Carrier: Bakke  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SCR 4027: Education Committee (Sen. Freborg, Chairman) recommends BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION (3 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). SCR 4027 was placed on the Eleventh order on the calendar.**

2007 TESTIMONY

SCR 4027

Testimony of Sen. Tracy Potter on SCR 4027, Senate Education Committee, 2-21-07

The bill title jumps a little ahead of where I wanted to start this discussion. I do believe that Bismarck State College should offer four years of study and baccalaureate degrees, but I'm a little leery of jumping straight to that conclusion. Please allow me to take a step back and maybe you'll come along with me and Rep. Keiser all the way to the same conclusion.

The number one mantra of the Commerce Department, the state's Chamber of Commerce and my own Bismarck-Mandan Chamber of Commerce is: **Workforce Development.**

The demands of the 21<sup>st</sup> Century, and the demands of our rapidly-expanding energy industry require a skilled workforce. We need more welders, more power plant technicians, more electricians, more workers with skills we probably can't even predict with certainty today. Increasingly, the skills required are of a higher nature than were needed ten and twenty years ago. That trend will only continue – and will probably accelerate.

No one doubts that North Dakota's rosier economic future lies in energy production – both the traditional coal and oil developments, and their rapidly developing new technologies of coal drying, carbon sequestration, horizontal drilling, coal-to-jet fuels, and more and, in the renewable energy fields of wind and hydrogen, ethanol and solar power. I like to categorize these as our finite and infinite resources. In order to take our rightful place as a world leader in energy production, we will need our workers to be world leaders in their fields.

That's what brings us back to Bismarck State College. BSC is already known as a leader in power plant technology and energy industry workforce training. If a study were to determine that North Dakota workers need an opportunity to develop their skills in a four year curriculum, BSC may be the logical place to provide that training. Those are the two issues to be studied, if this resolution is approved: 1. Is there a need for a four-year school focused on training young people to meet the demands of 21<sup>st</sup> century technology, particularly in the energy industry? and, 2. If the answer to number 1 is yes, is Bismarck State College the right place provide that training?

I hope you will agree that these questions are worth asking and that an interim study is the right forum in which to ask them.

Testimony to Senate Education Committee  
Kelvin L. Hullet, on Behalf of the Bismarck Mandan Chamber  
Senate Concurrent Resolution 4027

Mr. Chairman and Members of the Committee, I am Kelvin Hullet, President of the Bismarck Mandan Chamber testifying in support of Senate Concurrent Resolution 4027. This study resolution seeks to examine the idea of Bismarck State College transitioning from the 2-year institute to an institution granting 4-year Baccalaureate degrees. This is an idea that our organization and community has discussed for some time and we are grateful to Senator Potter and Representative Kaiser for introducing this resolution.

Bismarck Mandan is rapidly transitioning from a big town to a small city. The last two years have brought dynamic change to our community. We have experienced a rapid growth in jobs and housing due to a variety of factors. It is our anticipation that because of regional and national factors, Bismarck Mandan will continue to grow. In fact, our projections are for a one and one half to two percent growth rate over the next 10 years. This will move our community from around 100,000 in population to 115,000 to 117,000 by 2015.

There are a variety of factors driving our growth and this study identifies one of the key industries and that is Energy. There is no doubt that the future of Bismarck-Mandan is directly tied to the energy industry and this nation's movement towards energy independence. As is well documented, North Dakota is rich in natural resources and we have a key role to play in moving America forward.

In 2006, the Bismarck Mandan Chamber undertook a study of the idea of BSC becoming a four year institution. I am providing you with copies of the study and want to highlight just a few of our conclusions.

First and probably not surprising, there is strong support in Bismarck-Mandan for transitioning BSC to a 4-year institution. In an informal survey of our business community, almost 90% of the respondents indicated their support for this idea.

In addition, a high percentage of the employers felt a 4-year public institution would provide for a positive impact on employee recruitment, retention and employee development.

Second, our study looked at one of the key questions arising in this discussion and that is the constitutionality. It seems there are avenues to allow BSC and the community to examine this alternative without conducting a constitutional amendment vote.

Third, our study looked at the possible economic impacts on the community. Extrapolating data from the results of a North Dakota University System Study allowed the Leadership study group to project and economic impact that could exceed \$100 million dollars.

It would be irresponsible of us to bring forward and support this idea without identifying some of the concerns expressed in the study. One of the foremost concerns was the impact on system wide resources if BSC became a 4-year institution. There is no doubt this is a valid concern and one that should be examined carefully as part of this study.

A second concern was that BSC would simply become another 4-year degree granting institution in the state. I think this point requires careful consideration and discussion. The vision, as defined in informal conversations is to create an institution that is a strong technical school. A college that is focused on the needs of our business and industry, is quick to react, continues the ingenuity of BSC, and seeks to open new avenues to the community, the state and the region.

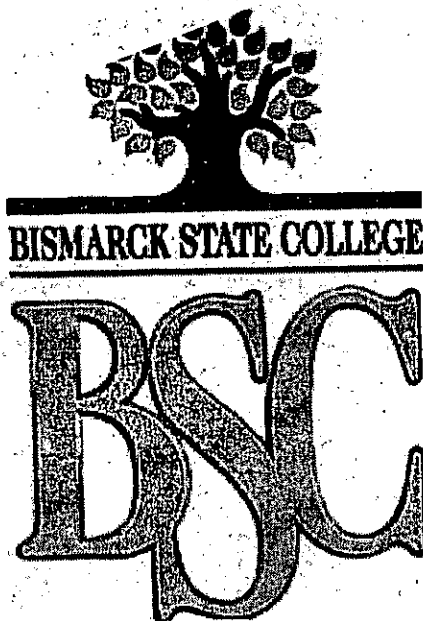
Mr. Chairman and members of the committee, we do not deny that this is an idea that is somewhat on the edge. However, as our community and our state evolve, we believe Bismarck Mandan is poised enhance its status as one of the primary economic drivers of the state. We ask you to support this study resolution and allow us to examine the idea of "What if" and if a 4-year public institution will benefit the future of this state.



# LEADERSHIP BISMARCK-MANDAN

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A STUDY OF THE IMPACT OF MAKING  
BISMARCK STATE COLLEGE A FOUR-YEAR  
INSTITUTION



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## OVERVIEW

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There is no doubt that Bismarck-Mandan is growing. In the last two years, the Bismarck-Mandan Metropolitan Statistical Area (MSA) has experienced an influx of retail that includes two Super Wal-Marts, Sams Club, Best Buy, Lowes, Kohls, Home Depot, and several others. Plans were also announced for the Northern Plains Commerce Centre, a transloading facility to be located adjacent to the Bismarck Airport. Additionally, companies such as Qwest, Bobcat, Unisys, Cloverdale, and many others have added numerous full-time positions. All told, the Bismarck-Mandan MSA is expecting nearly 2,000 new retail and primary sector jobs.

However, some in the community think that one inhibiting factor to the growth of Bismarck-Mandan is not having a public four-year institution offering bachelor's degrees. With this in mind, the Bismarck-Mandan Chamber of Commerce commissioned a three-part qualitative study, of the impact of making Bismarck State College (BSC) a four-year institution.

The first part consisted of a survey of existing businesses in the Bismarck-Mandan area. The purpose of the survey was twofold:

1. To gauge support for making BSC a four-year institution.
2. To ask businesses and the community how it would assist their business or the community if BSC were to become a four-year institution.

The second part of the study was to work with BSC and the local legislative delegation to identify what steps would be required to transition BSC from a two-year to a four-year institution. Specific issues that needed to be addressed were: what specific legislative action would be required and are there constitutional issues that would need to be remedied?

The third part of the study was a limited evaluation of the fiscal impact of transitioning BSC from a two-year college into a four-year institution. This portion of the study determined:



what additional resources BSC would require, what additional funds would need to be generated, and how the community would be impacted?

Each aspect of the study was addressed by a group of participants from the Bismarck-Mandan Chamber of Commerce Leadership Program with three specific goals in mind:

1. To identify if there is business community support for transitioning BSC from a two-year to a four-year institution.
2. To determine what legislative requirements would be required to facilitate such a transition.
3. To, on a limited basis, determine the fiscal impact of transition BSC to a four-year institution.

Group members included:

**Survey Team:**

Tami Emter (NISC)

Pam Kostelecky (Starion Financial)

Brian Ritter (Bismarck-Mandan Development Association)

**Legislative Team:**

Kim Ressler (A Buck or So)

Jason Kirchmeier (Ameriprise Financial)

**Fiscal Impact Team:**

Roger Berg (Kadrmass Lee & Jackson)

Melissa Jorgenson (CrossCountry Courier)

Susan Martin (Ruth Meiers Hospitality House)

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## BACKGROUND

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Bismarck State College was a bold, Depression-era experiment. As North Dakota's first two-year city college, BSC became an example for others and over the years has grown at a pace most likely unforeseen by its early promoters.

Created in 1939 in response to a community need for a local college, it was originally known as Bismarck Junior College. The College's first students started classes on September 4, 1939, in Bismarck High School. There were 104 full- and part-time students and 12 instructors. By the late 1940s, a new location for the college became increasingly urgent as college enrollment soared. In 1951 the 32nd Legislative Assembly responded to an appeal from community leaders to grant the College 15 acres on the Capitol grounds for a campus site. The College then moved into its own building at 900 Boulevard Avenue in 1955.

Within a few years the new campus was inadequate to meet the needs of the growing college. In 1959 Harold Schafer, a local entrepreneur and founder of the successful Gold Seal Company, offered the College a tract of land overlooking the Missouri River at the northwest edge of the City. Classes were first held on the new campus in the fall of 1961.

Buildings were constructed on the campus in this order:

Building	Year Completed	Cost
Schafer Hall	1961	\$ 858,971
Werner Hall	1965	661,766
Library	1968	548,493
Swensen Hall	1972	576,363
Student Union	1974	899,328
Voc-Tech Building	1974	1,684,000
Student Apartments	1979	394,949
Voc-Tech Center addition	1983	1,291,740

Jack Science Center	1998	8,200,000
Tom and Frances Leach Music Center	2001	762,000

Construction of the Jack Science Center began in the summer of 1996. This \$8.2 million building was completed in January 1998. The three-floor 74,000 square-foot building houses classrooms and labs for science, mathematics, engineering and computer science classes, and offices for faculty teaching in those disciplines. Recently, work has commenced on the \$12 million Career and Technology Institute, paid for by fund raising of the BSC Foundation and state and federal grants.

Today, the 100-acre campus overlooks the Missouri River at the northwest edge of the City of Bismarck. BSC currently employs 274 full-time and 100 part-time professional and support personnel, has an enrollment of approximately 3,500 students and is the fourth largest college in the 11 campus University Systems.

Students at BSC can choose from more than 30 technical programs that prepare them for entry-level placement specific careers. Several bachelor's degree and graduate programs are also offered on campus in cooperation with other University System institutions. In addition, the College's corporate and continuing education division provides professional development, personal enrichment courses, and conference coordination services.

*Copied in part from the Bismarck State College website.*

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## SURVEY RESULTS

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During January 2006, a survey was conducted of existing businesses in the Bismarck-Mandan area. The purpose of the survey was two fold:

1. To gauge support for making BSC a four-year institution.
2. To ask businesses and the community how it would assist their business or the community if BSC were to become a four-year institution.

To develop a survey tool that would adequately measure the business community's level of support for transitioning BSC to a four-year institution, meetings were held with Mr. Kelvin Hullet, President of the Bismarck-Mandan Chamber of Commerce, Mr. Tom Davis, President of Odyssey Research, Dr. Donna Thigpen, President of Bismarck State College and numerous other members of the community. Using input gathered from those meetings, a survey tool was developed and then posted to the online survey site [SurveyMonkey.com](http://SurveyMonkey.com)

The survey was sent to 1100 Bismarck-Mandan Chamber of Commerce members with a link to the survey on January 4<sup>th</sup>. The survey was closed January 18<sup>th</sup>, with one reminder sent during that time. In total, the group received 303 responses, which is a 27.5% response rate. It is important to note that generally a 5 – 10% response rate is expected from these types of surveys.

The following graphs depict the results of each survey question. Appendix A and B contain the responses related to Question 3 as well as any additional comments by the survey respondents.

