

FISCAL NOTE
Requested by Legislative Council
01/10/2017

Bill/Resolution No.: HB 1264

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2015-2017 Biennium		2017-2019 Biennium		2019-2021 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(17,200,000)		\$(87,500,000)
Expenditures						
Appropriations						

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2015-2017 Biennium	2017-2019 Biennium	2019-2021 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB1264 limits the authority of the State Board of Higher Education (SBHE) to establish tuition rates related to tuition reciprocity agreements and regional education compacts by establishing minimum rates in statute.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 requires the SBHE to establish tuition rates subject to the limitation of Section 2.

Section 2 sets the rates for non-resident students admitted under the Midwestern Higher Education Compact (MHEC) and Western Interstate Commission for Higher Education (WICHE) agreement to at least 1.25 times the resident tuition rate. Rates under the Minnesota reciprocity agreement would be at least 1.15 times the resident tuition rate. Rates for other non-resident students from any other state would be at least 2.00 times the resident tuition rate. Institutions would be allowed to charge more than the statutory minimum.

The current rates charged to these students vary by institution.

This law would apply to students accepted to the institutions effective July 1, 2018. The rates would not apply to students admitted prior to July 1, 2018 that remain full-time students at the institution.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The rates established in Section 2 of the bill are estimated to increase gross tuition revenues for the NDUS by \$3.9 million in 2017-19 and \$18.0 million for 2019-21, if all of the out-of-state students choose to keep attending an NDUS institution with the higher tuition costs. The dollar impact varies by institution. Some institutions would experience gross revenue increases, while others would see decreases.

Since tuition costs are a driving factor in a student's decision to attend a specific institution, it is very likely that

student enrollment will decrease as a result of the tuition rate increases. If 50% of the estimated 3,553 new out-of-state students each year choose to not attend an NDUS institution, the revenues lost from tuition, mandatory fees, room and board would be approximately \$21.1 million for the 2017-19 biennium and \$105.5 million for 2019-21.

The amounts shown in section 1A reflect the difference of gross revenue increases and losses due to enrollment declines.

Additionally, state dollars provided through the higher education funding formula would begin decreasing beginning in the 2021-23 biennium because completed student credit hours would be lower. We are unable to estimate the potential general fund appropriation reductions at this time.

Tuition rates to the remaining NDUS students, the majority of which are ND residents, would need to be increased to continue providing existing education services to students. The amount of these rate increases cannot be determined at this time.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*
- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Name: Tammy Dolan

Agency: ND University System

Telephone: 328-4116

Date Prepared: 01/19/2017

2017 HOUSE EDUCATION

HB 1264

2017 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau A Room, State Capitol

HB 1264
1/17/2017
Job 26983

- Subcommittee
 Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

Relating to nonresident tuition rates; and to provide an effective date.

Minutes:

Attachments 1, and 2.

Representative Rick S. Becker: See attachment 1 for example.

Chairman- Mark S. Owens: are there any questions

Rep. Corey Mock: I want to make sure I have the correct bill here, HB 1264 which is the 2000 version is 11 pages long is this correct. Would you mind explaining the remaining sections of the bill.

Representative Rick S. Becker: Rep. Corey Mock could you restate your question for me.

Rep. Corey Mock: thank you for the explanations for section one and two, beginning on section 3 and section 4 you are talking about the public employee retirement system, would you mind explaining why pers language is tied to this bill related to resident and non-resident tuition rates.

Representative Rick S. Becker: I think the example is house cleaning, if you look at page nine line 14 it just changes subsection 6 to subsection 7 referring back to section 15-10-17, to my understanding there should be no changes whatsoever specifically to pers in any way.

Chairman- Mark S. Owens: any other questions?

Vice Chairman- Cynthia Schreiber-Beck: I have not run the numbers, but and you gave the percentages of students enrolled from out of state, or in state which you said was 45 percent resident students at UND, and 44 percent NDSU if I took my notes properly. Obviously there are over 50 percent nonresident students. So running the numbers, and looking at the overhead at those two institutions, are you looking to close institutions because we would not be able to afford them, or because if we they are only at 45 percent of their student body, which is 7000 students probably at UND, the overhead means that there would be a tremendous amount of cuts and we have those buildings, etc. What would be your

suggestion, because I see it as, we could still have them come, but with those kind of rates I do not see them coming. So what would be the proposal.

Representative Rick S. Becker: What we are looking at is the numbers we referenced from 45 to 55 percent are the two research institutions. The students that comprise the vast majority of the 55 and 56 percent of out of state students are Minnesota students. This bill would increase their tuition from a 12 percent premium to a 15 percent premium. So it would have minimal effect impact on those institutions. When we look at other institutions the percentage of out of state students is less, than the number of North Dakota students, because they are the largest institutions excuse the numbers. If you are looking at individual institutions, and I will be happy to pull that up for you in a moment, the individual institutions have a far lesser number. So what we are looking at is, say the three Lake region, Williston, and Minot State that essentially charge with one exception and one category, no premium everyone pays in state tuition. There at what you are looking as the students who would be going there would have to apply for Minnesota reciprocity or MHAC, which would cover the majority of students that would be attending. You would be correct, there would be a certain number of students we don't know because they are not worried about enrolling in the various reciprocity programs, there would be a number of students who may not attend, and that number is unknown. Also the effect is over the course of 4 years, because once you are in at a certain rate, you keep that rate as long as you are enrolled full time. So the change in a smaller number of students who were the total number of enrolment would decrease would be fractionated over the 6 years.

Vice Chairman- Cynthia Schreiber-Beck: in the specialized programs did you look at, I look at UND and their aviation programs, is that average of Minnesota students across from specialized courses or not, because that would be a huge factor.

Representative Rick S. Becker: I did not break down individual programs and majors, again when you are talking aviation you are talking UND, and you are talking a vast majority of Minnesota students, and I would venture to say it would have a zero impact on a Minnesota student choosing to come to North Dakota, because it was a 15 percent premium over rather than a 12 percent premium.

Vice Chairman- Cynthia Schreiber-Beck: I think I am looking at all the Chinese students, and I know they are different rates.

Representative Rick S. Becker: If the Chinese students are not getting the waiver, which probably a dramatic number are. They are already considered an out of state student. And there are variables for international students as well, they are already paying a premium over the floor I would be setting.

Rep. Brandy Pyle: What is the reciprocity rate for our students to go to Minnesota or Montana schools.

Representative Rick S. Becker: The premium that they pay for leaving our state and going to other institutions. It varies, again if they are enrolled in WICHE or MHAC it frequently would be a 50 percent premium. If they are just an out of state student, they would pay 267

percent range, just as a straight out out-of-state student, the Minnesota reciprocity is roughly the same premium, which is a very small premium over their in-state tuition.

Rep. Brandy Pyle: On average what is the cost of education for the students to pursue a four-year degree.

Representative Rick S. Becker: We can discuss in the next bill the gap payment, according to the calculations between North Dakota and Minnesota, it is necessary to derive the cost of educating the student. And by looking at the calculations we know how much North Dakota and Minnesota have agreed it costs to educate a student per year, I can't give you a four-year degree, because most do not do it in four years, but we will say per year. And the number I am going to give you is without plant improvements, without classroom costs, without all that stuff. They don't incorporate that, but just to educate the student is roughly 13,500 dollars for the academic year 2014-2015.

Rep. Brandy Pyle: that portion is that in state.

Representative Rick S. Becker: That is the cost, you would have to subtract the number that the student pays, and it changes dramatically from institution to institution. It is \$3,000 for some of our institutions, and \$7,000 for research institutions.

Rep. Matthew Ruby: My biggest concern here is possible loss of students, where do we rank compared other states, and other institutions across the country.

Representative Rick S. Becker: I don't have a ranking for you, because this has been an interest for me for about a year no, we are considered some of the lowest in the nation, we are considered to be a good deal.

Rep. Matthew Ruby: If we enact the bill, would we jump to the top or would we still stay to the bottom.

Representative Rick S. Becker: I am being a little general here, because we definitely would not jump to the top, not even close. Acknowledging that the out of state students should have a premium like all other states and doing it at 200 percent, so just doubling in-state tuition would move us up, we would not be considered the ridiculous good deal that we currently are. We would be at the bottom of the average.

Rep. Dennis Johnson: in your testimony it talks about dropout rates being higher in North Dakota, and I think we tried to encourage student to go to college, with your testimony are you saying that the dropout rate is higher because of our resident students or because of the non-resident students. Is it in your testimony?

Representative Rick S. Becker: no, I am not correlating the two at all. I am not saying it is a causal factor, what I am suggesting is that there is so much we can do to try and maximize the quality of our education, and we should be focused on that, as stewards of the taxpayers the voters of North Dakota we should be focused on providing a good quality education. I threw out a couple of metrics that would indicate that there are areas we can improve upon, and that should be the focus, rather than it seems to get as many students as we can. If it

did not cost the taxpayers money, that is great I don't care if NDSU has 20,000 students in a couple of years. The problem is what is the benefit to North Dakota as a whole. The mission of the universities is to provide a quality education to North Dakota students, it's not to be little experimental incubators for economic development, because when we look at it that way I would venture to say that nobody when they are talking about ROI, and the money coming in, they are looking at every dollar coming in as a net gain, not considering the cost to educate a student is 13,600 dollars, without even counting plant costs, the instate tuition is 7,000. So basically they are paying half of what it costs to educate them. The taxpayers are paying the other half, why are the taxpayers paying half of the education for out of state students at various institutions for other students. That should not be the focus.

Rep. Dennis Johnson: I know that you mentioned Devils Lake, and that is pretty close to home. In a smaller college like that I have felt that given the opportunity to have non-resident students coming to your facility you are able to offer the class for the student that stays close to home. I think it is an investment.

Representative Rick S. Becker: An argument can be made for that, and it is true, the bill allows the students going to lake region to enter in agreements into WICHE, and MHAC and only pay a 25% premium. That is still going to be about the best deal in the nation they can get.

Rep. Rich S. Becker: The premise of your bill I understand, and it is based on economics of should tax payers in North Dakota be subsidizing out-of-state tuition or students. In your calculations, have you factored in any way the non-dollar comparison, up until the last few years North Dakota's population has been steadily going downhill over the last several decades, we are turning that around. In the case of Minot State, I was told that their numbers were over 4,000 for a while, and now they are at 3,300 to 3,400 students. The reason they are charging a zero percent difference is there not enough North Dakota High School students to come and fill the buildings, and the campus. We can attract the people from the Canadian Provinces around us as well as surrounding states. All my children went to UND, the WICHE program made that possible for them at that point in time WICHE was more than instate tuition, but less than out of state, it was somewhere right in the middle. So it made that possible, my other argument that is on the economic side is everybody is saying that North Dakota, we don't have diversity, we need more culture, more people, more students that will hopefully come here get educated, and if they come they may even stay. 2 of my 3 children stayed in North Dakota after receiving not only an undergraduate degree, but in both cases an advanced degree. The labor markets in Minot and Grand Forks you cannot find enough employees particularly during the school year, so the students that are coming in we are helping them to achieve an education, but they are also bringing in new thought new ideas, they are helping our labor markets, most of our restaurants would not be able to stay open as long as they are if they did not have the college student help. What I am suggesting that an addition to a dollar consideration there are other considerations that make North Dakota a better state for having the inclusivity of bringing people of different backgrounds in, and I believe there is an advantage to that, there is goodness in that. So I would be interested just to sit back, and hear your comments on that.

Representative Rick S. Becker: I will again assert that the number of students will not change dramatically for the institutions, the way in which they enroll if we are looking

specifically at the three that have zero percent over in-state the students will be able to enter WICHE and MHAC, and just like your students it's only a 25 percent premium which is still extremely inexpensive, so again I do not think it is going to change the numbers. If it changes them it will change them very little, if in state tuition let's just say is \$3,000 at Minot state, if you are looking at a 25% premium that is going to be 750 dollars more.

Rep. Rich S. Becker: That may be true, but tuition at UND to the best of my knowledge currently is roughly in state around 14,000 dollars. A 25% increase is a for a lot of people gets them over the top in a negative way. So I am not discounting anything that you presented to us, I am just suggesting that before we jump in there is a lot of evaluation to the overall economic impact, good and bad, and for diversity this should be something considered before we change programs.

Representative Rick S. Becker: You reference North Dakota as having more like the 14,000, when I referenced I am talking per semester, but they would not be affected by this bill, tuition would not go up for anyone at UND for anyone, because this bill requires a 25% premium for the MHAC and WICHE. It would go up for Minnesota 12% to 15%, there would be a 3% increase for Minnesota students, there would be a zero percent increase for MHAC and WICHE and there would be a zero percent increase for out of state, because they are already charging a premium.

Rep. Rich S. Becker: The counter to that argument may possibly be that the number of people that can apply to WICHE for example is a finite number, so if it goes up too much not everybody will be able to come in through WICHE or MHAC, many will just have to pay the out of state tuition which is considerably higher.

Representative Rick S. Becker: I appreciate the argument, again it is not going to pertain to UND and NDSU, because those students are already enrolled in WICHE, that argument would pertain to one of the smaller institutions that already have a very small population, that would be looking for a change with this, and would be looking at entering the program, therefore the total program numbers in MHAC or WICHE would be very small.

Rep. Ron Guggisberg: first of all thank you for the comments about how we look at the cost benefit, looking at everything like net revenue, what if we instead look at spending this money on higher education or sending citizens bowling, but it's not, we need to compare this to something. But you say that the mission of higher education is to provide an education, and I am looking at their mission statement on their website, reads off mission statement. That's a lot different than what I think you are saying that the higher education system exists for, I was wondering if you would agree with that, and if you disagree with their mission statement why.

Representative Rick S Becker: yes, I refer that the mission in the eyes of the voters is different, that flowery language with the buzzwords is as I would expect to be the mission officially. Tax payers who are paying for this are looking at saying, look we just want our kids to have a solid education so they can go out in the world and be well equipped to be employed in the field they choose, and to be successful.

Rep. Ron Guggisberg: This is what they think their mission is, you think it's something different, I think it's something different, and maybe we both think that the voters think it's something different. But I think it's beyond just giving students an education, in fact I went to Mexico on a Mission trip with my church a few years back, and we were down there the other adult advisors asked why the Mexico economy is so different than the United States. Of course there is a lot of things, there is politics, there is climate, there's resources certainly, but I told him that I thought it was a moral act, and of course he asked what is the moral act, and I said well that it was an act that Abraham Lincoln signed, and created land grant Universities, and the mission of those Universities is to teach farmers how to be better at farming, and to teach manufacturers how to engineer, and spread that education across the country, and I think that was a big part of why the United States was able to grow faster economies than other countries.

(audio went down)

Rep. Ron Guggisberg: I am not sure what Representative was talking about when he said diversity, I think he was talking about the diversity of our economy, and the fact that we need knowledge in many different skill sets, and not all North Dakota residents have those. I know what this bill is doing, and by the words you are using I can tell why this is in front of us, and the fact when we stop calling citizens citizens, and start calling them taxpayers, that is when we start to only look at what we spend on education, and not what it does for our communities.

Rep. Brandy Pyle: One more question, on page five, why are you single ling out student from Minnesota and not South Dakota or Montana.

Representative Rick S. Becker: I am not single ling out students from Minnesota, I am addressing the various reciprocity agreements, the Minnesotans have their own reciprocity agreement, and it's just known as the North Dakota/ Minnesota reciprocity agreement.

Chairman- Mark S. Owens: any further questions, Representative Becker if I bold this down, correct me if I am wrong please, your concern is with subsidizing tuition for out of state students, and then standardizing those tuition rates for out of state students across all of our university systems.

Representative Rick S. Becker: The first part of your assertion is correct, the second part is nearly correct. It is not to standardize, initially when they are looking at the fiscal note, they thought that the intent was to standardize, all institutions for out of state would be 200%, that is not the case. It's a floor, anyone who is at or above the floor would maintain their current schedule of tuition. It sets a floor for each of the three arrangements, the Minnesota reciprocity, because it has a different agreement the floor is at 15%, the WICHE and MHAC the floor would be 25%, all but three institutions are already charging 25% to 50%, so out of state it sets the floor at 200%, and there we have outside of three that charge 267% the remaining institutions very from 0 to 50% premium, it would standardize the floor.

Chairman- Mark S. Owens: I did understand that, and I did simplify the statement, and I meant within each category, and you were providing a range, but still you standardize within that range. Some already meet and some don't so you bring them up.

Vice Chairman- Cynthia Schreiber-Beck: is there any others in support of house bill 1264, anyone opposed to house bill 1264.

Mark Haggler: I am the chancellor of the university system, and I wanted to speak about the bill. (audio very soft).

Vice Chairman- Cynthia Schreiber-Beck: are there any questions.

Rep. Denton Zubke: you mentioned that you want more North Dakota student s attending your universities, do you track how many are not, and are going out of state, and do you have that information by state.

Mark Haggler: I can get that information for you, because we are dedicated on getting precise information, we have a fund, we know exactly what is happening in regions within the state, and some part of the state like Fargo high school a large percentage of them want to go to college. Other parts, less interested. We can give you some better numbers on that, we are devoted to that, and I just now tasked the presidents specifically to give me enhanced goals of retentions, I never met a young college person, who wants to drop out of college. Never met a person like that, they come in for various reasons drop out, we want to raise retention and graduation rates. In better knowing where students are coming from, and what concerns them.

Rep. Denton Zubke: you can actually tell us how many North Dakota students are attending Minnesota Universities.

Mark Haggler: I know we have numbers on how many graduate from K-12, and we can do an equation on who don't go to ours.

Rep. Pat D. Heinert: Chancellor you mentioned that you have a board put together that is looking at tuition rates across each of the colleges individually, how would representatives Backer's adjustment to those current factors weigh on that board.

Mark Haggler: He is correct right now on the margins, from the floor that we have put, but in our plan we want to recognize unique circumstances that do not fit into one size fits all model, for example there are colleges that do incentivize out of state student even more, like lake region and Minot. And they would have to come back to the board. The numbers we are working on is how many of these students are living in dorms. Take the full equation to see how much they spend in the economy. Sometimes we don't want to close a college because it is a hub for that community, but on the margins, the marginal cost marginal return is a positive thing.

Rep. Pat D. Heinert: if you had a college come to the higher board and ask for a reduced rate of your plan, where would the difference in the money you need to operate that college come from.

Mark Haggler: We would not come back to the legislature asking for money for that college, they would have to show that basically, you would take a return. We want to trust the presidents, and this is how much the general fund provides is a set, does it make economic

sense after that, and it would not because if we lose the money on it then they would not do it. They would raise the tuition. We do have some presidents who want to raise tuition rates on specific programs, high demand programs. Let's just start to adjust the rates even higher so those students pay up here, we have studied the market they will pay to come here, and we will get even more return on investment for the North Dakota taxpayer, the reality is that Williston is so different from Wahpeton, UND programs are so different than Dickenson, I am trying to get more flexibility including tuition as one of those variables, and all the different variables to do the right economic decision making. It is even more important now that the general fund has been restricted, and it is even better to be business smart. I can tell you that the presidents are aligned with their community leaders, both business people and civic leaders. I don't know a single president right now who does not appear to think of what the community needs, given how big our state is I want.

Vice Chairman- Cynthia Schreiber-Beck: any more questions.

Rep. Dennis Johnson: How does this work with the agreements we do have with WICHE and MHAC on the students that are going the other direction, we have programs in the state like optometry or veterinary medicine or dentists. We have agreements with them how is that going to work.

Mark Haggler: I do not believe that representative Becker bill will do that, that part of the equation. I know he wants to put North Dakota people first; I am just saying that the equation is a lot more complicated now. (soft audio).

Rep. Brandy Pyle: some universities give athletic scholarships.

Mark Haggler: (soft audio) all the presidents have to balance the books, they cannot come back here and ask for more money. Even that they are not reckless, they just want to be good stewards.

Rep. Brandy Pyle: (soft audio)

Mark Haggler: Great question, we actually have some detail reports that we can provide to you. How many are staying after graduation. I would like the numbers to be higher, but they need to come here, go to school, be a part of the economy.

Rep. Ron Guggisberg: I just have a request for some information, representative Becker had some examples of some certain institutions where the reciprocity is lower. I was wondering if you could give us, some examples of the problem we are trying to solve by doing that, and at which institution.

Mark Haggler: (soft audio) There is a disconnect in some cases. There are some states that have lost control across the country, not here.

Rep. Ron Guggisberg: I am asking for information about reasons why in certain institutions in our state have different rates and the problem is trying to solve. If you can give me information on that or give it to the clerk, I would appreciate it.

Mark Haggler: The reason our rates may vary (soft audio) because of that they may have a widely diverse approach. So that in a nutshell.

Chairman- Mark S. Owens: any other questions seeing none thank you. Anyone else in opposition to HB 1264.

Katie Mastel: See attachment 2 for testimony.

Chairman- Mark S. Owens: any questions. I just want to point out one thing, you do realize that NDSU is at 1.12, and in this bill it would not have to raise because that is the floor of what Representative Backer was talking about. It does not have to go up to 1.15 it can stay at 1.12, because he was creating a range, just want to make sure you understood that.

Katie Mastel: As I was understanding Chairman- Mark S. Owens it would raise it to 1.15 for everyone, and that is why I referenced up to the north as well.

Chairman- Mark S. Owens: any other questions, thank you. Anyone else in opposition to HB1264, any neutral testimony for 1264.

2017 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau A Room, State Capitol

HB 1264
1/17/2017
Job 27023

- Subcommittee
 Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

Relating to non-resident tuition rates, and to provide an effective date.

Minutes:

No attachments.

Rep. Matthew Ruby: I double checked with Representative Becker and for out of state other than Minnesota he wants to double, and that would be in the 200 percent increase, I double checked records that I could find, currently Minot state is the number 3 cheapest school for out of state tuition for 4 year universities in the nation. We have 3 universities in the top 15 for cheapest. Now when you double this, if this bill were to go through, Minot state would fall out of the top 50, but it will still be in the top 75, so when you compare that to 2074 other colleges that are in the United States for 4 year universities, there still in the lowest five percent, so I do not think that the argument that we are going to lose a ton of students because our tuition is going to be double, I do not think it will be that significant as people think, because they are still going to come for this program and stuff like that, and yes it will increase the tuition, but compared to everywhere else it is not going to be as drastic as other people are thinking. That is what I found on it, yes.

Chairman- Mark S. Owens: anybody else have any thoughts or questions.

Rep. Brandy Pyle: I agree in the concept that Representative Becker doing, but I do not think that (soft audio).

Rep. Bill Oliver: can someone who is experienced tell me as the state board of higher education is an elected body or appointed. Then I think we need to do something more to spur on their action a little faster, that is what I believe I don't know if I am right or wrong.

Chairman- Mark S. Owens: So.

Rep. Longmuir: I agree with Rep. Brandy Pyle, I think that this is something that once it is in statute trying to make changes or adjustments becomes extremely difficult, I don't always agree with the board of higher education, I am probably one of their proponents, but they are closer to it than I am, they would have a better understanding that Minot state might be better off at this tuition, UND and NDSU would be better off at this tuition rate. Based on the

programs being offered in their target markets, they are marketing themselves like we well know, but I have a problem getting too much into statute, and then when it goes to change every three years, and sometimes I think we are micromanaging, thank you.

Rep. Denton Zubke: I guess I understand what you are saying the problem is that the board is literally kept whole regardless of what they do, so there is a part of me that says that we do need to be telling them what to do, because what they lose in one area they pick up somewhere else, it is not like they are looking at it diligently like they should. Maybe they are responding to community input, and things like that.

Chairman- Mark S. Owens: sorry you just confused me, because one minute it sounded like you for us giving them some control and guidance, and then all of a sudden you switched.

Rep. Denton Zubke: no, I am saying we need to give them direction because I feel like they have nothing to lose regardless of what they do. We as a body fill whichever bucket needs to be filled.

Chairman- Mark S. Owens: let me just for information make sure everybody understands, section 6 article 8 of the constitution establishes the higher board of education, so they are not elected but they are in the constitution, period. That is a strategic establishment of the board, it does not specify the duties thou, exactly, because the duties are then in code, and if you look in the bill it even states the duties, because he had to change them in order to make this happen, and it talks about setting tuition and fees as part of their duties, and here it says set fees and we add establish the rate of tuition, again he is talking about the rate, he is not about talking about establishing tuition either, so I want to be clear with that and make sure everybody knew where between the constitution and the century code where everything was. You look like.

Rep. Rich S. Becker: I am flip flopping on this bill depending on who spoke last, I am all for giving guidance to the board of higher education because of too many areas among the side that is critical of them, but relative to this issue there is probably a reason while some of the universities like Mayville, and Minot state. And it does have to do with the free market, Mayville says they have roughly 900 to 1000 students, and that is a 4 year university, but if that 900 students very close to 50 percent of them are online, they are not even on campus, so I perceive this to be their way of trying to attract students to come to Mayville, not trying to pick on Mayville, but just saying that if they are the lowest in the nation then there is a reason for it, because it is hard for them to utilize a campus that is 50 percent online. Now you can tie this into other things that are not an issue with this bill, but it has to do with the constitution again, you know Mayville and many of the other schools are locked in, if you look just reasonably at can we afford the things that we do to keep these schools where they are the answer is we cannot do much because it is in the constitution, on the other hand the reason I said I go back and forth, I am leaning of giving this to the higher board of education to do, but I would really hate to take away any authority from the local institutions, to manage their business they deem fit.

Rep. Bill Oliver: I think that in the broad perspective of what they want to do, it is a great idea, I think fiscally we cannot afford as North Dakota citizens, I know that was a big thing in the talk, we cannot afford to pay for someone else to come from out of state to here, I agree

with the rates, some of the language in the proposed bill is not correct, but we also hear some language in a bill we just heard in session that just passed and I voted no for it, that the terms that we used in it was not correct, and I know from personal experience. The bill in among itself is a proper bill to get the tax burden away from our citizens. Isn't that what we are here for to help us become more prosperous as a state, to recreate that two years ago what we had to try to get back to where we were so we can best help our own citizens, this bill I think it is a good bill to start, is there somewhere where we can help the higher education department should get this done faster, I think that is all we are looking at is we can do this faster by us helping, and I really hear what the chancellor was saying today, that he needs help, he does not want to dictate that it happens, he needs something to base it on, I think that is what Representative Becker was trying to do today, when he brought that bill to us. I think that is what he wants to do, and I agree we need to try to keep our students here in the state, I have only been a citizen here for 7 years, but I have seen people leave the state because of educational dysfunction.

Chairman- Mark S. Owens: any other thoughts.

Rep. Pat D. Heinert: looking over this chart provided by Representative Becker, there is current factors already in place that are out there, and are not being followed on 100 percent but there is current factors I see no reason why a legislator could not legislate a session, could not set a minimum factors like Representative Becker is talking about, looking at this chart most of them when you are dealing with the WICHE and the other areas, are either at the current factor or above the current factor except for three schools. So we are not really affecting that many, we are just setting a minimum level for the board to operate off of, and they have the right like they talked about to raise the tuition, and raising their rates, raising their factors. I think I will support this bill.

Chairman- Mark S. Owens: I want to ask the committee as a whole, just a rhetorical question to think to yourself. I realize there is two to three schools on there in different categories that are not at given a level that was in the document, but have we asked why. Why does that school do that?

Rep. Ron Guggisberg: I tried to get it out of them, and I wanted the committee to know that I realize that he did not answer that question.

Chairman- Mark S. Owens: we will go after it again Rep. Ron Guggisberg, you know.

Rep. Bill Oliver: that is the most affordable college in the US, why is it the most affordable college. Am I right is there a most affordable college. What makes it so good, that people want to go there is it just the cost, let me tell you, I paid for my own education, I paid 100 percent my own, and I did not do any financial aid, or scholarships. Back then it was affordable, now I am sorry we cannot afford education, but that is a different story for a different time.

Chairman- Mark S. Owens: it sounds like a couple of people have made up their mind, and some still have some questions. We are still waiting on the fiscal note.

2017 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau A Room, State Capitol

HB 1264
2/1/2017
Job 27735

- Subcommittee
 Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

Relating to non-resident tuition rates, and to provide an effective date.

Minutes:

No attachments.

Rep. Brandy Pyle: I can crunch numbers for some of the institutions across the state, and I brought it up before in the case in Minot state they are the 3rd cheapest four-year institution in the nation. If we doubled that they would still be 68 out of 2440 4 year institutions, I do not think that it will affect as much as we are worried of losing out of state students, NDSU it does not affect them other than Minnesota reciprocity it bumps up Minnesota student up 100 dollars a year, one thing I would consider, instead of the 200 floor for out of state students I think it was at 200, maybe go 150 in case Minot state the 9thir tuition is \$3600 so double that, and that is a pretty big jump for considering we are kind of nudging into that direction of raising their tuition for out of starters, that is a huge jump, so I think that cutting that in half is a little more reasonable for first time. That is the only amendment I would recommend, I can have Kyle start drafting that if that makes sense.

Chairman- Mark S. Owens: well, can see we will get into little discussion about this one, let me just say this. What you are talking about doing is the legislature now micro managing them, and we have 11 universities in the constitution, and they are forced into a situation, and I do not disagree with Representative Becker on what he is thinking, and what he is doing, do not get me wrong, but I do have a problem with us micro managing them when they have to go out and market to keep the 11 universities going, because if they do not keep them going, then we will keeping it going, because without a constitutional change we are going to have a problem, and they are still going to be around. So that is my biggest concern is getting too deep into the weeds on how the universities are managed from here, and when I say Bismarck, I do not mean the Capitol I mean from the legislature.

Rep. Rich S. Becker: I believe that the constitution only specifically names 6 or 7 of the 11 schools, so it is not, and I agree with your comments, but not all of the 11 are guaranteed with the wording of the constitution.

Chairman- Mark S. Owens: I understand that, because I did run across that while we were talking about doing a constitutional amendment to try, and recommending it to the people to

take them completely out, and for some reason I said well they do not even list all of them, there was something in there that still maintained the 11 I do not remember what it was even though they were not named specifically. And I am not aware of it either, and I cannot recall it, there was some issue with it back then, or I could have misunderstood it, I am just concerned with us managing from the legislative chamber.

Rep. Mary Johnson: a million years ago when it was less expensive for me to, and this is in the tri-college days, if you remember that a long time ago before limitations, it was less expensive for me rather than to directly enroll in Moorhead state to enroll at NDSU and take all my classes at Moorhead state tri-college, and I think the intricacies of all of that are better left to the state board of higher education.

Vice Chairman- Cynthia Schreiber-Beck: One of the issues is, it is noted in here they are talking about WICHE, MHAC, and if that changes if the university system no longer belongs to that, does that change this bill considerably, it is denoting how these students are admitted, and if we do not have that anymore does that change that considerably, it will, so the mechanism of belonging to two organizations would change this bill too, and plus the workforce, I have had communication from those that are obviously that like that our tuition is what it is, and workforce development and training, and the lack of workforce within the state, and that also applies to the other bill, but that is very much a consideration as well.

Rep. Ron Guggisberg: I looked up the constitution, and it looks like it names 8 of the colleges by city name, but then it also says such other state institutions of higher education as made hereafter may be established.

Rep. Pat D. Heinert: I lean toward not supporting this, I think that our discussion here, and what was brought forward, and with our new chancellor I believe we need to give him a chance to get the university system straightened out and on track, they admit that they are looking at the fees for education across the state school by school, I think we need to give them the opportunity to do that, my message to the higher education board, if they do not look at that and look into the fees, well this bill will be back next year, and I will support it at that time. In two years.

Chairman- Mark S. Owens: I promised you an hour and a half for lunch, so we will end this discussion here, and we will go over seven bills at least. 2:30pm or following session.

2017 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau A Room, State Capitol

HB 1264
2/1/2017
Job 27766

- Subcommittee
 Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

Relating to non-resident tuition rates; and to provide an effective date.

Minutes:

No attachments.

Chairman- Mark S. Owens: we started discussing this and then I wanted to give you an hour and a half for lunch, so I let you go. Let's go back, and we left off with Rep. Matthew Ruby asking a question. I thought so, I could be mistaken. What is the committees desire on HB 1264?

Rep. Mary Johnson: I move a do not pass on HB 1264.

Chairman- Mark S. Owens: we have a motion for a do not pass from Rep. Mary Johnson, and a second from Rep. Brandy Pyle. Any discussion, since I see none I call the clerk to do a roll call vote for a do not pass vote on HB 1264. 13-1-0, and Rep. Mary Johnson will carry this bill.

Date: 2/1/17

Roll Call Vote # 1

2017 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 1264

House Education Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar
Other Actions: Reconsider _____

Motion Made By Rep. M. Johnson Seconded By Rep. Pyle

Representatives	Yes	No	Representatives	Yes	No
Chairman- Mark S. Owens	✓		Rep. Andrew Marschall	✓	
Vice Chairman- Cynthia Schreiber-Beck	✓		Rep. Bill Oliver	✓	
Rep. Rich S. Becker	✓		Rep. Brandy Pyle	✓	
Rep. Pat D. Heinert	✓		Rep. Matthew Ruby		✓
Rep. Dennis Johnson	✓		Rep. Denton Zubke	✓	
Rep. Mary Johnson	✓		Rep. Ron Guggisberg	✓	
Rep. Donald W. Longmuir	✓		Rep. Corey Mock	✓	

Total (Yes) 13 No 1

Absent Ø

Floor Assignment Rep. M. Johnson

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

REPORT OF STANDING COMMITTEE

HB 1264: Education Committee (Rep. Owens, Chairman) recommends **DO NOT PASS**
(13 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1264 was placed on the
Eleventh order on the calendar.

2017 TESTIMONY

HB 1264

Rick S. Becker

Attachment 1

1/17/17

HB 1264

North Dakota University System
Tuition Rate Factors

	ND Residents; Military			Minnesota Reciprocity			Contiguous States; MHEC / WICHE / Manitoba/ Saskatchewan; U.S. Resident			International		
	Current Factor	SBHE Approved Factor	HB1264	Current Factor	SBHE Approved Factor	HB1264	Current Factor	SBHE Approved Factor	HB1264	Current Factor	SBHE Approved Factor	HB1264
	1.00	1.00	1.00	1.12	1.12	1.15	1.25	1.20	1.25 MHEC/WICHE 2.00 US Resident	2.67	1.75	2.0
BSC	1.00			1.12			1.25 contiguous; 1.50 Alumni Dependent, MHEC, WUE; 2.67 non-resident			2.67		
WSC	1.00			1.12			1.00			1.35		
LRSC	1.00			1.00			1.00			2.50		
UND	1.00			1.12 Undergraduate; 1.27 Graduate			1.50 Alumni Dependent, Contiguous, MHEC, WUE; 2.67 U.S. non-resident			2.67		
NDSU	1.00			1.12 Undergraduate; 1.27 Graduate			1.50 Alumni Dependent, Contiguous, MHEC, WUE; 2.67 U.S. non-resident			2.67		
NDSCS	1.00			1.12			1.25			2.67		
MISU	1.00			1.00			1.00			1.00		
MaSU	1.00			1.12			1.25			2.67		
DSU	1.00			1.12			1.50 Alumni Dependent, Contiguous, MHEC, WUE and U.S. non-resident			1.50		
VCSU	1.00			1.12			1.25			2.67		
DCB	1.00			1.12			1.00 Canadian provinces; 1.25 all others			1.50		

**North Dakota University System
INSTITUTIONAL CHARGES
2014-15 Academic Year**

Institution/ Branch	Type**	TUITION								FEES*		ROOM ⁽²⁾		BOARD	
		Resident		Nonresident		SD, MT, Saskatchewan, and Manitoba		Minnesota		Full Time ⁽¹⁾	Part Time ⁽¹⁾	Double	Single	5 Day	7 Day
		Full Time ⁽¹⁾	Part Time ⁽¹⁾	Full Time ⁽¹⁾	Part Time ⁽¹⁾	Full Time ⁽¹⁾	Part Time ⁽¹⁾	Full Time ⁽¹⁾	Part Time ⁽¹⁾						
BSC*	Undergrad	⁽⁶⁾ \$3,510	117.00	\$9,372	312.39	\$4,388	146.25	\$3,931	131.04	\$ 711.60	\$ 29.65	\$2,401 ⁽³⁾	\$3,394 ⁽³⁾		3,110-Avg 12 meals (Standard) ⁽¹⁵⁾ 4,400-Avg 17 meals (Gold) ⁽¹⁵⁾
DCB*	Undergrad	3,301	137.54	4,951	206.31	4,126	171.93	3,697	154.05	796.72	33.20	2,332	3,275		3,337-15 meals 3,753-19 meals
				All Canadian Provinces →		3,301	137.54								
DSU*	Undergrad	4,891	203.78	7,336	305.67	6,113	254.73	5,478	228.23	1,159.50	48.31	2,400	3,312		3,450 unlimited w/ \$50 flex cash \$1,092-65 meal plan
	Grad		273.92		273.92		273.92		347.88		11.53				
LRSC*	Undergrad	3,197	133.21	3,197	133.21	3,197	133.21	3,197	133.21	876.72	28.78 ⁽⁴⁾	2,125	3,170		2,930-10 meals (Silver) 3,412-15 meals (Gold) 3,560 17 meals (Platinum) \$3,825 Incl wkends, holidays, spring & Christmas break (Diamond) (All plans incl \$220 flex cash)
				International Stdnts →		7,993	333.03								
MaSU	Undergrad	⁽⁵⁾ 4,810	200.41	7,215	300.61	6,012	250.51	5,387	224.46	1,679.22 ⁽⁵⁾	69.97	2,044	2,794		1,592-5 meals w/\$50 flex 3,186-10 meals w/\$200 flex
	Grad		261.93		261.93		261.93		332.65		20.53				3,386-14 meals w/\$200 flex
				All Canadian Provinces except Saskatchewan & Manitoba →		7,215	300.61								
				International Stdnts →		12,842	535.09								
MiSU*	Undergrad	⁽⁵⁾ 4,942	205.90	4,942	205.90	4,942	205.90	4,942	205.90	1,284.14	53.51	2,025 ⁽³⁾	3,550 ⁽³⁾		3,470-Unlimited Silver 3,520-Unlimited Gold 3,640-Unlimited Platinum
	Grad		272.31		272.31		272.31		272.31		Same as undergraduate fees				
NDSCS*	Undergrad	⁽⁷⁾ \$3,592	119.73	\$9,591	319.69	\$4,490	149.67	\$4,023	134.10	620.64	25.86	2,460	3,394		2,954-10 meals 3,066-14 meals 3,770-19 meals
	a	⁽⁷⁾ 3,592	119.73	3,592	119.73	3,592	119.73	4,023	134.10	Same as undergraduate fees					
	b	⁽⁷⁾ 3,592	119.73	3,592	119.73	3,592	119.73	4,023	134.10	Same as undergraduate fees					
NDSU*	Basic Undergrad	6,604	290.58	17,633	775.86	9,906	435.87	7,396	325.45	1,215.72	50.66	3,372	3,814	3,540 Unlimited	3,910 Unlimited
	College of Business Undergrad	⁽¹²⁾ 6,917	303.61	18,468	810.64	10,375	455.42	7,747	340.04	Same as undergraduate fees					
	Engineering Undergrad	⁽¹³⁾ 7,267	318.58	19,403	850.61	10,900	477.87	8,139	356.81	Same as undergraduate fees					
	Nursing Undergrad	^(12,13) 7,646	354.16	20,416	945.62	11,469	531.24	8,564	396.66	Same as undergraduate fees					
	Architecture Undergrad	^(12,13) 8,785	430.59	23,455	1,149.69	13,177	645.89	9,839	482.27	Same as undergraduate fees					
	Basic Grad	7,083	295.15	18,913	788.04	10,625	442.72	8,996	374.85	Same as undergraduate fees					
	Engineering Grad	⁽¹³⁾ 7,746	323.14	20,683	862.80	11,620	484.72	9,838	410.39	Same as undergraduate fees					
	Nursing Grad	^(12,13) 8,126	358.73	21,696	957.80	12,189	538.09	10,320	455.59	Same as undergraduate fees					
	Architecture Grad	^(12,13) 9,263	435.97	24,732	1,164.05	13,894	653.96	11,764	553.69	Same as undergraduate fees					
	Professional Pharmacy	^(12,13) 13,031	645.89	34,792	1,724.53	19,546	968.84	13,868	687.88	Same as undergraduate fees					
	Masters of Public Health	⁽¹³⁾	643.00		965.00		965.00		772.00	Same as undergraduate fees					
UND*	Undergrad	6,388	266.17	17,056	710.68	9,582	399.26	7,155	298.11	1,352.80	56.37	2,660	3,370	N/A	3,682 Block plan 145 3,860 Block plan 155 4,150 Unlimited plan 4,358 Unlimited plan plus
	Grad	6,872	286.35	18,350	764.56	10,309	429.53	8,728	363.67	Same as undergraduate fees					
	Law	(8)	257.17	(8)	686.69	(8)	385.76	(8)	385.76	Same as undergraduate fees					
	Medicine	27,261	1,135.86	50,459	2,102.45			29,986	1,249.44	Same as undergraduate fees					
	Physical Therapy	12,600		17,432		17,432		12,600		Same as undergraduate fees					
	Occupational Therapy	⁽¹⁴⁾ 11,499	479.14	16,098	670.77	14,258	594.10	11,499	479.14	Same as undergraduate fees					
	Masters of Public Health	⁽¹³⁾	643.00		965.00		965.00		772.00	Same as undergraduate fees					
VCSU	Undergrad	⁽⁹⁾ 5,027	167.58	13,423	447.44	6,284	209.48	5,631	187.69	1,646.72 ⁽¹⁰⁾	68.61	2,170	3,070		2,300-5 meal w/ \$400 flex 3,315-10 meal w/ \$300 flex 3,500-15 meal w/ \$150 flex 3,600-19 meal w/ \$100 flex
WSC*	Undergrad	⁽¹¹⁾ \$3,235	107.84	\$3,235	107.84	\$3,235	107.84	\$3,623	122.00	1,209.72	42.43	4,300	6,450		3,000-10 meals 3,000-10 meals 3,000-10 meals
				International Students		\$4,370	145.66								

2

**North Dakota University System
INSTITUTIONAL CHARGES
2014-15 Academic Year**

FOOTNOTES TO 2014-15 INSTITUTIONAL CHARGES

* Additional fees are charged for a number of specific programs at BSC, DCB, DSU, LRSC, MiSU, NDSCS, NDSU, UND and WSC. These program fees are not included in the tuition and/or fee amounts in this schedule, other than where noted.

** Type: a=Special rates given to NDSCS nonresident and contiguous state/province students who live on campus with a meal plan, b=NDSCS business & industry ptsp programs (with formal signed contracts) which serve multi-state areas

In addition to the rates listed in this table, other special rates exist for other student categories such as WICHE/WUE students and non-resident dependents and spouses of NDUS campus graduates.
(Note: This schedule does not include tuition rates for all programs, but covers the major programs offered.)

- (1) Full time rates are based on an average 15 credit hours per semester, except the full time rate for LRSC fees is listed at their cap of 16 credit hours per semester. The part time rates are per credit hour for less than 12 hours per semester, except at BSC, LRSC, NDSCS, NDSU, MaSU, MiSU, VCSU and WSC (see footnotes 4, 5, 6, 7, 9, 11 & 12).
- (2) Other living arrangements such as married and family housing, hi-rises, suites, mobile home parks, and 3-4 person apartments are also available on the campuses.
- (3) The rates listed for BSC and MiSU represents the average single and double room rates of the dormitories. These campuses charge different rates for different dormitories.
- (4) The full-time and part-time rate for fees at LRSC is based on 16 credit hours per semester, except the "Connect ND" & "NDSA" fees, which are capped at 12 credit hours per semester.
- (5) MaSU and MiSU charge the per credit (part-time) tuition rate for 1-11 credit hours and for additional credits over 18, and the full-time rate for 12-18 credit hours.
MaSU's fees are capped at 12 credit hours and include TabletPC computer (\$795) and technology (\$195) fees for guaranteed continuous access to a TabletPC, backpack, up-to-date software, integrated technology in classrooms, network and printer access and enhanced, high-speed wireless Internet access throughout campus. MiSU caps technology, "Connect ND" and "NDSA" fees at 12 credit hours per semester, and charges the per credit (part-time) college fee rate for 1-11 credit hours and for additional credits over 18, and the full-time rate for 12-18 credit hours.
- (6) BSC charges the per credit (part-time) tuition rate for all credit hours. Fees are capped at 12 credit hours per semester.
- (7) NDSCS charges the per credit (part-time) tuition rate for all credit hours. Fees are capped at 12 credit hours per semester.
- (8) UND charges the per credit (part-time) tuition rate for all credit hours for Law. Mandatory fees are capped at 12 credit hours per semester.
- (9) VCSU charges the per credit (part-time) tuition rate for all credit hours. Fees are capped at 12 credit hours per semester.
- (10) VCSU's fees include notebook computer (\$798) and technology (\$200) fees for guaranteed continuous access to a notebook computer, case, software license fees, insurance for damage or loss, integrated technology in classrooms, and enhanced, high-speed wireless network and Internet access throughout campus.
- (11) WSC charges the per credit (part-time) tuition and fee rate for all credit hours. "Connect ND, NDSA & Recreation Center" fees are capped at 12 credit hours per semester.
- (12) NDSU charges the per credit (part-time) tuition rate for less than 12 hours per semester, except the nursing, architecture and pharmacy programs, which they charge the part-time rate for less than 11 hours per semester.
- (13) The Masters of Public Health tuition is charged at the per credit (part-time) tuition rate for all credit hours. Fees are capped at 12 credit hours per semester.
- (14) The Occupational Therapy (OT) rates listed do not include summer session tuition. The OT professional program can be completed in six semesters and two summer sessions including six months of fieldwork experience.
- (15) For BSC board plans, meals are purchased a la carte under a declining balance plan. Cost of the plan is calculated on an average of 12 and 17 meals, but student may have more or less "meals", based on what they choose to eat.

3

2014-15 Tuition Rates

	ND Resident		Mn Reciprocity		WUE (Western Undergraduate Exchange-WICHE)		MSEP (Midwest Student Exchange Prgm-MHEC)	
	Per Credit	Full-time	Per Credit	Full-time	Per Credit	Full-time	Per Credit	Full-time
BSC	\$117.00	\$3,510	\$131.04	\$3,931	\$175.50	\$5,265	\$175.50	\$5,265
LRSC	\$133.21	\$3,197	\$133.21	\$3,197	\$133.21	\$3,197	\$133.21	\$3,197
WSC	\$107.84	\$3,235	\$120.78	\$3,623	\$107.84	\$3,235	\$107.84	\$3,235
UND	\$266.17	\$6,388	\$298.11	\$7,155	\$399.26	\$9,582	\$399.26	\$9,582
NDSU	\$290.58	\$6,604	\$325.45	\$7,396	\$435.87	\$9,906	\$435.87	\$9,906
NDSCS	\$119.73	\$3,592	\$134.10	\$4,023	\$179.60	\$5,388	\$179.60	\$5,388
DSU	\$203.78	\$4,891	\$228.23	\$5,478	\$305.67	\$7,336	\$305.67	\$7,336
MaSU	\$200.41	\$4,810	\$224.46	\$5,387	\$300.62	\$7,215	\$250.51	\$6,012
MiSU	\$205.90	\$4,942	\$205.90	\$4,942	\$205.90	\$4,942	\$205.90	\$4,942
VCSU	\$167.58	\$5,027	\$187.69	\$5,631	\$251.37	\$7,541	\$209.48	\$6,284
DCB	\$137.54	\$3,301	\$154.05	\$3,697	\$206.31	\$4,951	\$206.31	\$4,951

Mn Reciprocity rates specifically set for each campus in ND-MND MOU.

Generally, WICHE-WUE, and MSEP (MHEC) students are charged at 150%. Exceptions include: LRSC, WSC & MiSU charge the ND resident rate; MaSU & VCSU charge MSEP students 125% of the ND resident rate.

4

Attachment 2

1/17/17
HB 1264

HB 1264 Opposition

Katie Mastel: NDSU Student Government

Chairman Owens, members of the committee, for the record my name is Katie Mastel and I am here on behalf of NDSU Students to testify in opposition of house bill 1264. NDSU student government sends a student lobbyist to Bismarck every legislative session, and we are grateful you listen to our input as students. House Bill 1264 is something very important to our students as it ranks as one of the top reasons students choose to attend NDSU, and this is the affordability factor. In this bill tuition rates are outlined for reciprocity in respect to a percentage of resident tuition rates. Though this would seem to simplify tuition and make it fair across the board, it would do just the opposite for many of our institutions including NDSU.

Each of our intuitions have different needs due to size, location, and programs and thus require specific models for them identified and pulled together by our wonderful State Board of Higher Education. The mere location of our schools reflect different needs in tuition rates respective to resident tuition rates. NDSU, being on the Eastern edge of the state, naturally draws in a large portion of Minnesota residents, mostly due to our affordability factor. It is in many of their words, a close school with good education for a great price. Some of the institutions in the West may encounter something similar through the Midwestern higher education compact or the Western interstate commission for higher education.

Looking at the numbers, currently NDSU's base tuition for a North Dakota resident is \$6,924, for a Minnesota resident through reciprocity, it is \$ 7,755 which is in state tuition multiplied by a factor of 1.12. By establishing the reciprocity tuition rates in House Bill 1264 as written, the tuition for a Minnesota Resident would raise to close to \$8,000, which over 4 years or more adds up quickly and would be noticed by our students. When looking into other institutions I found our neighbors to the north use a factor of 1.10 and other institutions around a factor of .91 so this wouldn't only impact our students at NDSU but students as a whole in the North Dakota University System. I urge you to keep in mind the individual students and what will serve them best, more specifically as I testify here today, the NDSU students and with that a no vote to House Bill 1264 as written.