



HIGHER EDUCATION COMMITTEE

Thursday, June 13, 2024

Auditorium, Harry Stern and Ella Stern Cultural Center, North Dakota State College of Science,
Wahpeton, North Dakota

Friday, June 14, 2024

Representative Mark Sanford, Chairman, called the meeting to order at 10:00 a.m. at the North Dakota State College of Science (NDSCS).

Members present: Representatives Mark Sanford, Landon Bahl*, Claire Cory, Jay Fisher, Karla Rose Hanson, Bob Martinson, David Richter, Mike Schatz, Cynthia Schreiber-Beck, Steve Swiontek; Senators Robert Erbele, Curt Kreun, Jonathan Sickler, Ronald Sorvaag

Members absent: Representatives Matt Heilman, Dennis Johnson, Mike Nathe; Senators Sean Cleary, Karen K. Krebsbach

Others present: Senators Brad Bekkedahl, Williston, Kyle Davison, Fargo, and Donald Schaible, Mott, members of the Legislative Management

Hunter Moreno and Brady Kroll, North Dakota State College of Science; Emerson Johnson, Wyndmere; Lisa Johnson, David Krebsbach, Jamie Wilke, and Rick Tonder, North Dakota University System; Kevin Black*, State Board of Higher Education; Greg Lardy, David Cook, Colleen Fitzgerald, and Hollie Mackey, North Dakota State University; and Dave Goodin, North Dakota State University Foundation Executive Governing Board

See Appendix A for additional persons present.

**Attended remotely*

It was moved by Senator Sorvaag, seconded by Representative Schreiber-Beck, and carried on a voice vote that the minutes of the April 2-3, 2024, meeting be approved as distributed.

Dr. Rod Flanigan, President, North Dakota State College of Science (~~NDSCS~~), presented an overview (Appendix B) of NDSCS. He noted NDSCS is requesting state funding to renovate the Mildred Johnson Library into an educational innovation center and to demolish three vacant residential facilities.

Mr. Hunter Moreno, student, North Dakota State College of Science, commented regarding his experience at NDSCS.

Mr. Brady Kroll, student, North Dakota State College of Science, commented regarding his experience at NDSCS.

The committee toured select facilities at NDSCS, including the Mildred Johnson Library and certain vacant residential facilities, including Babcock Hall, McMahon Hall, and Satterlee Hall.

Ms. Lisa Johnson, Vice Chancellor for Academic and Student Affairs, North Dakota University System office, presented information (Appendix C) regarding dual-credit funding in the state. She noted dual credit is:

- Available at 9 of the 11 University System institutions, excluding the 2 research universities;
- Offered at a standard, systemwide tuition rate, dependent on whether the course is taught by the high school teacher or an instructor paid by the University System institution; and
- Open to all North Dakota high school students in grades 10, 11, or 12.

In response to ~~a~~-questions from members of the committee, Ms. Johnson indicated she would provide the committee with additional information regarding ~~how the dual-credit~~ funding ~~works~~ system in Minnesota and the potential impacts of school choice and "money follows the student" educational funding.

Ms. Emerson Johnson, Wyndmere, commented regarding her experience as a student enrolled in dual-credit courses.

Chairman Sanford noted ~~that~~ any recommendations from the committee on dual credit will be considered at the next committee meeting.

Mr. David Krebsbach, Vice Chancellor for Administrative Affairs and Chief Financial Officer, North Dakota University System office, presented information (Appendix D) regarding the higher education funding formula, including projections for the 2025-27 biennium. He noted four institutions, including Lake Region State College, Williston State College, Valley City State University (~~VGSU~~), and North Dakota State University (NDSU) are projected to receive funding under the minimum amount payable provision of the higher education funding formula, which limits reductions in funding caused by changes in adjusted student credit hours to 96 percent of the amount the institution received under the formula in the prior biennium. He ~~added that~~ noted the minimum amount payable provision is estimated to provide a total of \$8.9 million for the four institutions.

In response to a question from the committee, Mr. Alex J. Cronquist, Senior Fiscal Analyst, Legislative Council, noted the rates in the higher education funding formula have been averaged since 2015.

Mr. Kevin Black, Board Member, State Board of Higher Education, presented information (Appendix E) regarding the higher education funding formula, including the results of the board's study of the formula.

Ms. Jamie Wilke, Director of Finance, North Dakota University System office, presented information (Appendix F) regarding permanent fund income distributed by the Board of University and School Lands to institutions.

Mr. Rick Tonder, Director of Facilities Planning, North Dakota University System office, presented information (Appendix G) regarding facilities, including space utilization, deferred maintenance, and major capital projects.

In response to a request from members of the committee, Mr. Tonder indicated he could provide the committee

with additional information regarding the potential costs and benefits of adding University System facilities staff to assist the campuses.

Ms. Wilke presented information (Appendix H) regarding appropriation authority transferred from the operations line item to the capital assets line item by institutions pursuant to Section 38 of House Bill No. 1003 (2023). She noted [VCSU Valley City State University](#) transferred \$408,319 from its operations line item to the capital assets line item to be used as matching funds for various extraordinary repairs projects.

Mr. Krebsbach presented information (Appendix I) regarding the capital building fund program, including the use of funding in the University System capital building fund, the source of matching funds, and each institution's 5-year plan for capital construction spending pursuant to North Dakota Century Code Section 15-54.1-02.

The committee recessed at 4:00 p.m. on Thursday, June 13, 2024, and reconvened at 8:30 a.m. on Friday, June 14, 2024, at [North Dakota State University \(NDSU\)](#).

Dr. Greg Lardy, Vice President for Agricultural [Affairs](#), North Dakota State University, welcomed the committee to NDSU.

Dr. David Cook, President, North Dakota State University, presented an overview (Appendix J) of NDSU.

Mr. Dave Goodin, Vice Chair, North Dakota State University Foundation Executive Governing Board, presented testimony (Appendix K) regarding the work of the NDSU industry and workforce ad hoc committee, including recommendations developed by the committee.

Dr. Colleen Fitzgerald, Vice President for Research and Creative Activity, North Dakota State University, presented information (Appendix L) regarding research conducted at NDSU. She noted research at NDSU is primarily focused on food, energy, water security, life sciences, computer science, cybersecurity, software engineering, and entrepreneurship and innovation.

Dr. Hollie Mackey, Chief Executive Officer, North Dakota Advanced Agriculture Technology Engine, North Dakota State University, presented information (Appendix M) regarding the leveraging of state funds and partnerships to expand research and economic development relating to agriculture.

Dr. Lardy presented information (Appendix N) regarding agricultural research at NDSU.

The committee toured the campus of NDSU, including the newly opened Peltier Complex.

Ms. [Lisa](#) Johnson presented information (Appendix O) regarding direct admissions, including the potential to establish direct admissions in the state. She noted:

- Direct admissions is the notification of high school students that they are qualified to enroll in a higher education institution;

- The state could use the North Dakota Choice Ready standards as a starting point to implement direct admissions; and
- Legislation is not necessary to implement direct admissions.

Ms. Johnson commented regarding accelerated degree programs, including the potential to establish new accelerated degree programs in the state. She noted:

- The State Board of Higher Education has begun reviewing the potential for accelerated degree programs;
- ~~UND~~[The University of North Dakota](#) and NDSU have ~~already~~ established multiple accelerated programs; and
- Institutions have been able to accelerate student completion using summer term classes, work experience credit, and the use of early entry or dual-credit enrollment.

Mr. Krebsbach commented regarding policies relating to communications between board members and board member access to current and historic board information pursuant to Section 2 of Senate Bill No. 2343 (2023). He noted the State Board of Higher Education amended its policy 100.6, regarding the authority and responsibilities of the board, chancellor, and institution presidents, to ensure board member access to current and historic board information and communications.

Senator Sickler commented regarding his review of student financial aid with the North Dakota University System office and requested Mr. Cronquist distribute bill draft [25.0229.02000] to amend various student financial aid programs, including the career builders scholarship and student loan repayment programs.

Ms. Brenda Zastoupil, Director of Financial Aid, North Dakota University System office, presented information (Appendix P) regarding student financial aid, including tuition waivers. She noted:

- The University System is requesting increased funding of \$1 million for the student financial assistance grant program and \$1.5 million for the professional student exchange program;
- The University System provided \$40.3 million of tuition waivers for the 2022-23 academic year, including \$12.1 million at the University of North Dakota and \$22.2 million at NDSU; and
- The student financial assistance grant program could be enhanced with an additional \$14 million per biennium to cover the full cost of tuition for students with family incomes under \$80,000.

No further business appearing, Chairman Sanford adjourned the meeting at 2:07 p.m.

Alex J. Cronquist
Senior Fiscal Analyst

ATTACH:[16](#)