



HB 1161

House Education Committee

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Chair Heinert and members of the committee, thank you for the opportunity to speak on behalf of the North Dakota University System (NDUS) and the State Board of Higher Education (SBHE) concerning House Bill No. 1161.

The NDUS and SBHE stands in opposition to House Bill No. 1161. While we understand and appreciate the legislative intent to ensure efficient and responsible management of state resources, we believe this bill infringes on the ability of the SBHE and the NDUS institutions to effectively manage the NDUS operations.

House Bill No. 1161 proposes the establishment of a funding pool for vacant full-time equivalent (FTE) positions within institutions under the governance of the SBHE. This bill mandates the transfer of appropriation authority for vacant positions to the Office of Management and Budget (OMB), to be held in a dedicated funding pool. Institutions would then need to request allocations from this pool to fill vacant positions or hire temporary employees.

While the intent of the bill is to optimize resource utilization, it is imperative to recognize the dynamic nature of academic institutions. Vacancies in academia, much like any other sector, can result from retirements, resignations, or grant-funded projects. Maintaining the existing flexibility in fulfilling FTE positions and managing operations by having access to these funds allows the institutions to adapt as needed to mission critical initiatives and programs, while meeting accreditation standards, and ensuring educational excellence.

Turnover is typical and can offer institutions a chance for strategic realignment in faculty and staff roles. However, the restriction imposed by this bill could inadvertently delay hiring processes, affect the quality of education, and hinder institutions' ability to respond quickly to emergent educational and workforce needs.

In conclusion, we ask for a Do Not Pass on HB1161 to allow our NDUS institutions to continue fulfilling their missions to provide quality education, student success, fulfillment of workforce needs and allow the operational flexibility required by our educational institutions.