2009 HOUSE EDUCATION

HB 1138

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1138

House Education Committee

☐ Check here for Conference Committee

Hearing Date: January 14, 2009

Recorder Job Number: 6998

Committee Clerk Signature Carmen Hart

Minutes:

Brigadier General Alan Dohrmann, Deputy Adjutant General, Office of the Adjutant General, presented the attached testimony in support of HB 1138. **(Attachment 1)** He gave some other information: They are competing with border states, principally Minnesota, to recruit and retain their members. Minnesota currently has a program in place where they can get university fees, either under the federal or state program as they administer in the state of Minnesota. This tuition assistance program is challenging to administer. Since 2006 they have received approximately $4.765 million from the federal government to run the Army National Guard Tuition Assistance program with the federal money. All that federal money is funded through supplemental, so every 6 months, 12 months, they are waiting around to see what is going to be in the supplemental—to see how much money they have to administer the program on the federal side and then figure how much state money they need based on what was received from the federal government. Obviously, when the federal money begins to dry up, and they think that at some point in the future, it probably will, they will have to bring the scope and tuition program back down. Pre 911 they were paying roughly half of all our service members' tuition. Right now they think the federal money will be there. They think the VA or the new GI benefit will help them make their state money go as far as possible but would like

the flexibility in the future to draft this program based on current requirements and current federal funding to give the best possible package to their service members.

Vice Chair Lisa Meier: About how many enlisted members actually attend college right now?

General Dohrmann: On the Air National Guard side, we have about 120. On the Army National Guard side, about 600.

Rep. Jerry Kelsh: What does the repeal section do—what does that say?

Chairman Kelsch: The repeal is that ND National Guard Tuition Fund--is hereby established a special trust fund.

General Dohrmann: Back in the 70s there was a trust fund set up, the tuition assistance program of $7-$8 million. That was exhausted probably by the late 80s and that is what we refer to in that section.

Rep. Corey Mock: I am curious. The appropriation--you mentioned there was no fiscal note because this would be provided in the current appropriations for tuition reimbursement. Is there currently a surplus or are you utilizing the entire appropriation for the tuition reimbursement?

General Dohrmann: Yes, we are. The appropriations line item is actually for tuition assistance and recruiting retention programs. There is some flexibility within that to pay for both recruiting retention programs and tuition assistance. We kind of lump them altogether because tuition assistance is a recruiting retention program. The money has not all been spent this biennium. We have two more semesters yet to pay out. We pay at the end of the semester. They have to prove that they completed their coursework and abided by all the rules established by the Adjutant General. We anticipate all the money will be spent. Again, in the years where there was no federal dollars coming in, we needed to use all our money for

the tuition assistance program because that is first and foremost the must pay program we have within the National Guard for recruiting retention.

Rep. Lyle Hanson: Does it make any difference which career they decide to go into? If they are going into medical, it would be a lot more than if they were going to technical school.

General Dohrmann: It gives them the fees. I don't think we will ever have enough money where we can say we can kick out the tab for medical school or for someone to learn how to fly helicopters. That is a possibility under this, but living within our current means, we just wouldn't have enough money to do those sorts of things.

Rep. Lyle Hanson: Do you just deny them before they sign up for the guard?

General Dohrmann: We wouldn't deny them. They would be entitled to the same tuition assistance that is there for all the other soldiers. On the federal side, if you are on some of those specialties—doctors, nurses—there are some federal programs out there where they will provide a pretty nice bonus program on a commitment that you then serve six to eight years with the active or reserve component. There are programs for those professionals, because that is a tough area to fill both in the National Guard and the active side.

Rep. Phillip Mueller: Does the tuition fees cover basically all the expenses of a guard person going onto a higher education?

General Dohrmann: No. My oldest kid is 11, so I have lost touch what it costs to go to college. Just the basic fees, my understanding, can be between $400 and $600. This does not include books. This does not include room and board. There continues to be expenses for our service members. Again, in this competition with Minnesota, what they have done is maximize on the army side the federal dollars, and then they have taken their state money and above and beyond what you would consider the cost for them going to school, they have been actually able to provide stipends to the service members. I just don't think we can afford to go

there, but we at least need to get our service members to the point where when we say 100% tuition, we have the options. That means fees, because those fees with ConnectND and some of the other ones that have popped up over the last several years are getting quite expensive.

There was no opposition to HB 1138. The hearing was closed.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1138

House Education Committee

☐ Check here for Conference Committee

Hearing Date: January 14, 2009

Recorder Job Number: 7000

Committee Clerk Signature Carmen Hart

Minutes:

Chairman Kelsch mentioned that **Vice Chair Lisa Meier** asked her the question if they would come back at another time. She said that they probably would, but they believe they can do this within their current appropriation and help out. She did agree with **Rep. Corey Mock** but from personal experience, the fees had gone up extraordinarily high since she was in college. She also stated that it is kind of hard to believe that you are paying that much in fees along with tuition. She thought it would be beneficial.

Rep. David Rust made the motion for a do pass. **Rep. Karen Karls** seconded it.

14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING. Rep. David Rust will be the carrier of the bill.

FISCAL NOTE

Requested by Legislative Council
12/23/2008

Bill/Resolution No.: HB 1138

1A. **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.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	$0	$0	$0	$0	$0	$0
Expenditures	$0	$0	$0	$0	$0	$0
Appropriations	$0	$0	$0	$0	$0	$0

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

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
$0	$0	$0	$0	$0	$0	$0	$0	$0

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

No fiscal effect, any increases in costs to the program will be funded within the current appropriation.

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.*

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.*

   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 is also included in the executive budget or relates to a continuing appropriation.*

Name:	Holly Gaugler	**Agency:**	Adjutant General
Phone Number:	333-2079	**Date Prepared:**	01/05/2008

Date: 1-14-09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1138

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken ☑ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Rust Seconded By Rep Karls

Representatives	Yes	No	Representatives	Yes	No
Chairman RaeAnn Kelsch	✓		Rep. Lyle Hanson	✓	
Vice Chairman Lisa Meier	✓		Rep. Bob Hunskor	✓	
Rep. Brenda Heller	✓		Rep. Jerry Kelsh	✓	
Rep. Dennis Johnson	✓		Rep. Corey Mock	✓	
Rep. Karen Karls	✓		Rep. Phillip Mueller	✓	
Rep. Mike Schatz	✓		Rep. Lee Myxter	✓	
Rep. John D. Wall	✓				
Rep. David Rust	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Rep Rust

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

REPORT OF STANDING COMMITTEE

HB 1138: Education Committee (Rep. R. Kelsch, Chairman) recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1138 was placed on the Eleventh order on the calendar.

2009 SENATE EDUCATION

HB 1138

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1138

Senate Education Committee

☐ Check here for Conference Committee

Hearing Date: February 25, 2009

Recorder Job Number: 9677

Committee Clerk Signature

Minutes:

Chairman Freborg opened the hearing on HB 1138. All members were present.

Captain Michelle Hagel, Joint Staff Judge Advocate, Office of the Adjutant General, testified in favor of the bill. See written testimony.

Senator Taylor asked if their goal of 100% tuition would be 100% of tuition and fees.

Captain Hagel said that is correct, fees are not currently included.

Senator Taylor asked the ratio of state and federal funding.

Captain Hagel said that has been changing. The new GI Bill on the Army side has been covering more. They do not know what to expect from the new GI Bill. They will go after the federal funds first and use state funds as a backup.

Senator Bakke asked why they are repealing the special trust fund in the state treasury.

Captain Hagel said it is old language, they haven't used that trust in ages. They use general fund dollars.

Senator Bakke asked if there is money left in the trust.

Captain Hagel said there was no money put into the trust.

Senator Flakoll asked if the bill is revenue neutral or are there other dollars in another bill.

Captain Hagel said they requested money through their appropriation bill. This bill is for permission to pay fees.

Senator Flakoll asked how big of a change does this make to the appropriations bill.

Captain Hagel said they have not requested a change. The fees on the Army side are being paid with federal dollars. The dollars in the appropriations bill would cover fees, estimated to be $66,000 per semester.

Senator Flakoll said UND is specifically referenced, can their members take classes at other institutions?

Captain Hagel said yes, they referenced UND because it is the most expensive.

Senator Flakoll asked if their students are mostly undergrads or if this can be used for the aeronautics school or medical school?

Captain Hagel said it is all undergraduate students currently.

Senator Bakke asked if they are contemplating a change to include graduate school.

Captain Hagel said she is only thinking of being allowed to pay fees for their students for undergraduate study.

Senator Bakke asked how many of their members are in school now.

Captain Hagel said 1500 plus.

Senator Taylor asked the number of their appropriations bill.

Captain Hagel said it is HB1016.

Senator Bakke asked if there is any portion of educational expense that is paid by the students themselves.

Captain Hagel said they pay for books and housing.

Chairman Freborg closed the hearing on HB 1138.

Senator Flakoll moved a Do Pass on HB 1138, seconded by Senator Taylor. The motion passed 5 – 0. Senator Taylor will carry the bill.

Date: 2/25/09
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1138

Senate Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass

Motion Made By Sen. Flakoll Seconded By Sen. Taylor

Senators	Yes	No	Senators	Yes	No
Senator Freborg	✓		Senator Taylor	✓	
Senator Gary Lee	✓		Senator Bakke	✓	
Senator Flakoll	✓				

Total (Yes) 5 No 0

Absent 0

Floor Assignment Sen. Taylor

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

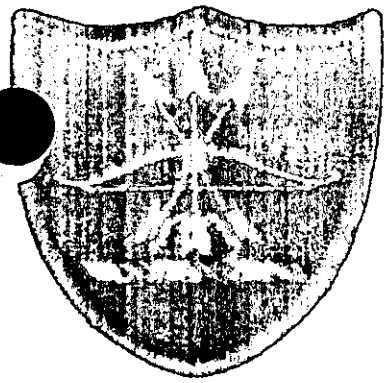
REPORT OF STANDING COMMITTEE

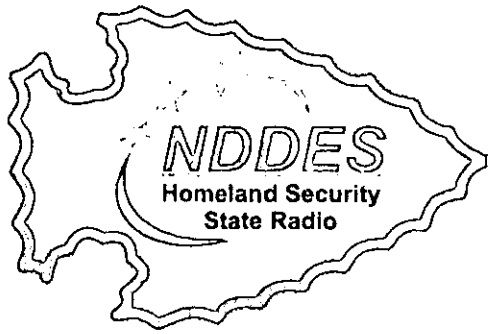
HB 1138: Education Committee (Sen. Freborg, Chairman) recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1138 was placed on the Fourteenth order on the calendar.

2009 TESTIMONY

HB 1138

Attachment 1





Army National Guard

"The Straight Arrows"

Air National Guard

"The Happy Hooligans"

Department of Emergency Services
Homeland Security & State Radio

The

Office of the Adjutant General

Testimony of
Brigadier General Alan Dohrmann
Deputy Adjutant General

before the

House Education Committee
January 14, 2009

HOUSE BILL 1138

TESTIMONY OF

BRIGIDIER GENERAL ALAN DOHRMANN

DEPUTY ADJUTANT GENERAL

BEFORE THE

EDUCATION COMMITTEE

JANUARY 14, 2009

HOUSE BILL 1138

Mr. Chairman and Members of the Committee:

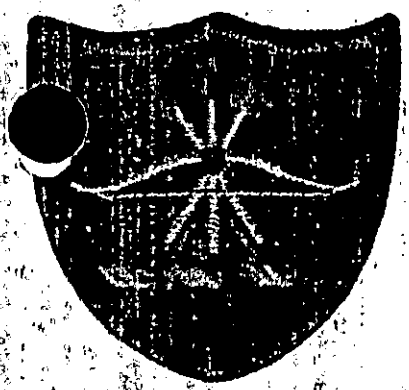
Our process to determine legislation necessary to support our service members and their families is fairly exhaustive. A key area that is consistently reviewed is our tuition waiver program. We want to ensure that we have a program that is flexible and meets the needs of our members, with a target of 100% tuition reimbursement for those eligible.

This biennium, after careful review, we are requesting a fairly modest change to the tuition waiver program. We are requesting that we be allowed to pay fees, currently prohibited under the law. Fees at universities are currently a much larger cost driver for students than in the past. A student at the University of North Dakota now pays not less than $618 in basic fees each semester, regardless their major of study. As an example of how new technology has impacted education costs, ConnectND and technology fees at UND total $131.00 each semester. In order to meet the needs of our service members, we need the ability to help cover these costs if funding is available.

It is also important to note that the federal tuition assistance program allows fees to be paid. As we administer both the state and federal tuition assistance programs we always attempt to use federal funds before looking to use state funds for tuition. From October 2006 to present we have paid $4.765 Mil in federal tuition benefits for North Dakota National Guard Soldiers and, of that amount, we paid $747,000 in fees. Currently, we are not authorized to use federal funds for Air National Guard tuition so ANG personnel have no mechanism for fee reimbursement.

One reason we are being somewhat cautious in our request is that Congress in 2008 passed a new GI Bill that will likely have a dramatic impact on service member benefits. The effective date is August 2009, but we have yet to see specific guidance on how the program will be implemented. While it will likely provide a significant benefit for our service members and their families, it could also result in a decrease in availability of federal funds specifically targeted at college tuition. We believe with the current uncertainty that maintaining state tuition funding at the current level and allowing for the payment of student fees is the best course of action. We are confident that between state and federal funds over the next biennium, we will continue to meet our target of 100% tuition for qualifying Guard members.

Mr. Chairman and members of the committee, on behalf of the service members and their families, I would respectfully request a "Do Pass" on HB 1138. I would be pleased to respond to any questions, Mr. Chairman.



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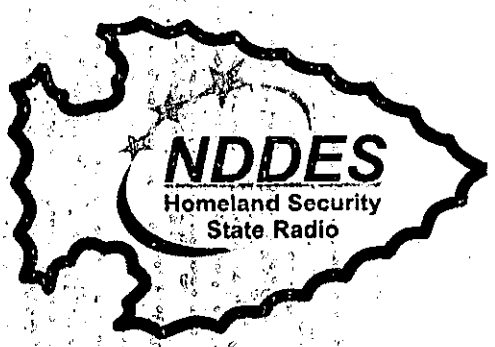

Department of Emergency Services
Homeland Security &
State Radio

The

Office of the Adjutant General

Testimony of
Captain Michelle Hagel
Joint Staff Judge Advocate

before the

Senate Education Committee
February 25, 2009

HOUSE BILL 1138

TESTIMONY OF

CAPTAIN MICHELLE HAGEL

STAFF JUDGE ADVOCATE

BEFORE THE

EDUCATION COMMITTEE

FEBRUARY 25, 2009

HOUSE BILL 1138

Mr. Chairman and Members of the Committee:

Our process to determine legislation necessary to support our service members and their families is fairly exhaustive. A key area that is consistently reviewed is our tuition waiver program. We want to ensure that we have a program that is flexible and meets the needs of our members, with a target of 100% tuition reimbursement for those eligible.

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