

2021 HOUSE EDUCATION

HB 1107

2021 HOUSE STANDING COMMITTEE MINUTES

Education Committee Coteau AB Room, State Capitol

HB 1107
1/12/2021

Relating to definition of resident student for tuition purposes

Chairman Owens opened the meeting at 10:31 am. **Roll call** was taken including Reps. Owens, Schreiber-Beck, Heinert, D. Johnson, M. Johnson, Longmuir, Marschall, Pyle, Richter, Simons, Zubke, Guggisberg and Hager. Rep. Hoverson absent.

A Do Pass motion was made by **Rep. M. Johnson**, seconded by **Rep. D. Richter** and a roll call vote was taken.

Representatives	Vote
Representative Mark S. Owens	Y
Representative Cynthia Schreiber-Beck	Y
Representative Ron Guggisberg	Y
Representative LaurieBeth Hager	Y
Representative Pat D. Heinert	Y
Representative Jeff A. Hoverson	A
Representative Dennis Johnson	Y
Representative Mary Johnson	Y
Representative Donald Longmuir	Y
Representative Andrew Marschall	Y
Representative Brandy Pyle	Y
Representative David Richter	Y
Representative Luke Simons	N
Representative Denton Zubke	Y

Motion carried. 12-1-1.

Bill carrier is Rep. M. Johnson.

10:34 AM

Hearing closed *Bev Monroe, Committee Clerk*

REPORT OF STANDING COMMITTEE

HB 1107: Education Committee (Rep. Owens, Chairman) recommends **DO PASS** (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1107 was placed on the Eleventh order on the calendar.

2021 SENATE EDUCATION

HB 1107

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1107
2/15/2021

A BILL relating to the definition of a resident student for tuition purposes.

Chair Schaible opened the hearing at 3:34 p.m.

Discussion Topics:

- GI bill
- Housekeeping bill
- Bill origination

Senator	Attendance
Chairman Schaible	P
Senator Elkin	P
Senator Conley	P
Senator Lemm	P
Senator Oban	P
Senator Wobbema	P

Rep Pyle, Dist 22 – introduced the bill #6576

Lonnie Wangen – ND Veterans Affairs – testified via Zoom in support #6566

Lisa Johnson – ND University System - testified neutral #6633

Additional written testimony: None

Adjourned at 3:41 p.m.

Lynn Wolf, Committee Clerk

Good afternoon.

I am representative Brandy Pyle from district 22 which encompasses the rural Cass County, a little bit of Fargo and West Fargo. I am here today to introduce HB 1107 for consideration. HB 1107 came about per the request of North Dakota Veteran Affairs.

The proposed legislation brings all National Guard members and Reservists in line with their full-time counterparts to receive in-state tuition rates in North Dakota and follows House Resolution 7105 which was passed by Congress and signed into law last week by the President on January 5. I have submitted the wording of this resolution for your reference below¹. In a nutshell, in state tuition rates now apply to any guard member or reservist regardless of their state of residency.

In doing my due diligence for this bill, I learned many of our current national guard members and reservists already receive in-state tuition rates as North Dakota has reciprocity agreements with neighboring states. This proposed legislation not only will comply with the new federal regulations, but potentially be more attractive for other guard members and reservists.

This is perfect timing to update our century code to align with what congress has recently passed.

North Dakota has always been a military and veteran friendly state with an estimated economic impact over 1 Billion dollars. As you can see on table 11 from North Dakota Economic Impact FY 2019 report prepared by NG-ND- PFO- IR which was emailed out to all legislators by Maj Sheldon in one of the weekly TAG line reports².

Thank you for your time, and I ask for a do pass recommendation for HB 1107. I now stand for any questions.

¹ HR 7105 passed by congress and signed by the president on January 5, 2021

SEC. 1005. REQUIREMENTS FOR IN-STATE TUITION.

(a) IN GENERAL.—Section 3679(c) of title 38, United States Code, is amended—

(1) in paragraph (2)(A), by striking “less than three years before the date of enrollment in the course concerned”; and

(2) in paragraph (4)—

(A) by striking “It shall” and inserting “(A) It shall”; and

(B) by adding at the end the following new subparagraph:

“(B) To the extent feasible, the Secretary shall make publicly available on the internet website of the Department a database explaining any requirements described in subparagraph (A) that are established by a public institution of higher learning for an individual to be charged tuition and fees at a rate that is equal to or less than the rate the institution charges for tuition and

fees for residents of the State in which the institution is located. The Secretary shall disapprove a course of education provided by such an institution that does not provide the Secretary—

“(i) an initial explanation of such requirements; and

“(ii) not later than 90 days after the date on which any such requirements change, the updated requirements.”.

(b) APPLICATION.—The amendments made by this section shall apply with respect to a quarter, semester, or term, as applicable, commencing on or after August 1, 2021.

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TABLE 11:
Total Annual Economic Impact Estimate (By Location)

	<u>National Guard</u>	<u>Active Duty</u>	<u>Reserves</u>	<u>Total</u>
Bismarck/Mandan	\$ 91,479,469	\$ 1,178,253	\$ 1,554,091	\$ 94,211,813
Devils Lake	30,321,509			30,321,509
Dickinson	1,583,067			1,583,067
Edgeley	1,209,174			1,209,174
Fargo/West Fargo	129,724,259	1,247,683	2,862,228	133,834,170
Grand Forks	9,832,862	267,482,175	711,395	278,026,432
Jamestown	2,892,663			2,892,663
Lisbon	792,846			792,846
Minot	20,413,922	557,980,332	1,089,907	579,484,160
Valley City	4,854,249			4,854,249
Wahpeton	3,397,180		1,621,380	5,018,560
Williston	778,003			778,003
Wishek	707,914			707,914
Total	<u>\$ 297,987,117</u>	<u>\$ 827,888,442</u>	<u>\$ 7,839,001</u>	<u>\$ 1,133,714,559</u>

Senate Education Committee
67th Legislative Session
Senator Donald Schaible-Chair

Chairman Schaible and Senate Education Committee,

Please accept this testimony in support of HB 1107. The NDCC current language does not allow for military service members, veterans' and dependents in states other than ND to be eligible for In-State (resident) Tuition rates. ND has many border cities with individuals seeking higher education. This bill will...

- Provide ND Institutes of Higher Learning (IHL) a better ability to compete with (IHL) in other states.
- Attract more out of state students to ND IHL.
- Improve ND military and veteran friendly ranking (important in base retention)
- Meet the Department of Defense's (DOD) Defense State Liaison (DSL) Office top ten issues.
- Comply with new Federal Regulations Passed in January of this year in HR 7105 and now part of Public Law 116-315 (Veterans Health Care and Benefits Improvement Act of 2020)

Include as resident student for tuition purposes...

- Member, spouse and dependents of National Guard and Reserve in any state
- Member, spouse and dependents of active-duty armed forces in any state
- Dependent of veteran regardless of GI Bill eligibility
 - Post 9-11 GI Bill resident rate required to comply with new Federal GI Bill regulations. Addressed 64th Legislative Assembly (2015) HB 1127. Other chapters of GI Bill not addressed.

Origination of HB 1107:

Military Academic Affairs Council (MAAC)

Established by ND Department of Veterans Affairs (NDDVA) Commissioner in 2010 as a Veterans Education Advisory Committee to the Commissioner and Chancellor.

Members:

- ND Department of Veterans Affairs
- ND Chancellors Office
- State Approving Agency Director (GI Bill)
- ND National Guard Education Officers
- Air Force Education Officers
- Job Service ND Veteran Employment Services
- Institutes of Higher Learning Certifying Officials (State and Independent)

Memorandum of Understanding (MOU) between ND University System and ND Department of Veterans Affairs signed by NDDVA Commissioner and NDUS Chancellor in 2015

1. Appointment of a Military Affairs Council to address the issues veterans face when returning to Academia.
2. Provide college and university staff and faculty training on veterans who face re-integration issues or mental/behavior health challenges which can affect their performance in school, work, and relationships.
3. Create a standardized system that can evaluate and award credit for life experiences and military classes.
4. *Actively market to out of state veterans to attend North Dakota universities and colleges.*
5. Identify potential veterans as they apply for admissions and provide greater educational guidance.
6. Provide assistance to veterans attending ND colleges and universities as well as veterans and their dependents who may be eligible for various educational benefits.

HB 1107 Supports the DOD DSL Top Ten Key Issues for 2021 and Task Force MIND Initiatives

Department of Defense (DOD) Defense State Liaison Office (DSL)

Background: The Defense-State Liaison Office works with state policymakers to change laws and policies to improve military family well-being. The DSLO focuses on 10 key issues. For each issue, the Military State Policy Source website provides background information, official DOD data and status updates on relevant information across states.

Purpose: Many issues impacting the well-being of service members and their families are best addressed by state governments. In 2004, the undersecretary of defense for Personnel and Readiness established an outreach program through the DSLO to educate state policymakers on unintended barriers created by state policies and other issues important to military families.

Track Record: DSLO has assisted state policymakers to enact more than 700 bills since 2012 covering occupational licensure, employment protection, consumer protection, family law, childcare, child protection, voting, education, health care, and state judicial systems.

The 2021 Key Issues (Top 10):

8: *In-State Tuition Continuity*

Task Force M.I.N.D. (Military Issues in North Dakota)

Active and Reserve Armed Forces, State Agencies, Civic Leaders and Stakeholder in North Dakota working to discuss, and develop initiatives focused on improving the quality of life for our Active Duty, Guard and Reserve service members and their families.

Members Include:

- **ND Governor's Office**
- **ND National Guard Army and Air Force**
- **US Air Force: Minot AFB, Grand Forks AFB**
- **ND Reserve: Army, Marines, Navy**
- **ND Department of Veterans Affairs**

TFMIND meeting July 28, 2020: **Initiative #6 In-state tuition rates.**

Thank you for your consideration.

Lonnie Wangen-NDDVA Commissioner.



HB1107

Senate Education Committee

February 15, 2021

Lisa A. Johnson, Vice Chancellor of Academic & Student Affairs, NDUS
701.328.4143 | lisa.a.johnson@ndus.edu

Chair Schaible and members of the Senate Education Committee. My name is Lisa Johnson, and I serve as the Vice Chancellor of Academic and Student Affairs for the North Dakota University System. I am here today on behalf of the North Dakota University System and its eleven institutions to provide neutral testimony related to HB1107 related to the attached fiscal note.

The proposed change in in definitions would designate all National Guard and Armed Forces Reserve members, their spouses, and their dependents as having ND residency for the purpose of tuition calculation.

At present, out-of-state guard and reserve members, their spouses and their dependents currently pay the out-of-state rate or a reduced out-of-state tuition rate negotiated rate through reciprocal agreements or multistate consortia like that of Midwest Higher Education Compact (MHEC) or the Western Interstate Commission on Higher Education (WICHE).

As you can see on the enclosed fiscal note, the proposed edits are estimated to decrease tuition revenue in excess of over \$500,000 a biennium. It remains unknown as to the number of students that could be attracted as a result of the proposed change. What are reported are the known and immediate fiscal implications associated with the proposed residency changes.

Two universities, the University of North Dakota and North Dakota State University, with the highest numbers of out-of-state guard, reserve, and spouses and dependents of out-of-state guard and reserve members will be impacted most significantly—to the point that further reductions in tuition revenue could result in employee layoffs or cuts in some academic programs.

This concludes my testimony related to HB1107, and I stand for questions from Committee members.

2021 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB1107
3/16/2021

A BILL relating to the definition of a resident student for tuition purposes.

Chair Schaible called to order at 2:30 PM

Discussion Topics:

- Committee Work

Sen Elkin moved **Do Pass**

Sen Lemm seconded

Roll Call Vote: 6-Yea; 0-Nay; 0-AB
Motion Passed

Sen Elkin will carry the bill

Adjourned at 2:32 PM

Lynn Wolf, Committee Clerk

Senator	Attendance
Chairman Schaible	P
Senator Elkin	P
Senator Conley	P
Senator Lemm	P
Senator Oban	P
Senator Wobbema	P

SB 1107	Vote
Chairman Schaible	Y
Senator Elkin	Y
Senator Conley	Y
Senator Lemm	Y
Senator Oban	Y
Senator Wobbema	Y

REPORT OF STANDING COMMITTEE

HB 1107: Education Committee (Sen. Schaible, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1107 was placed on the Fourteenth order on the calendar.

2021 SENATE APPROPRIATIONS

HB 1107

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1107
3/30/2021
Senate Appropriations Committee

Relating to the definition of a resident student for tuition purposes.
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Senator Holmberg opened the hearing at 10:32 a.m.

Senators present: **Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.**

Discussion Topics:

- Reimbursements
- Other States

David Krebsbach, North Dakota University System, answered questions of the committee.

Brandy Pyle, Representative, District 22, introduced the bill

Senator Poolman moved DO PASS

Senator Rust seconded the motion

Senators			Senators	
Senator Holmberg	Y		Senator Hogue	Y
Senator Krebsbach	Y		Senator Oehlke	Y
Senator Wanzek	Y		Senator Poolman	Y
Senator Bekkedahl	Y		Senator Rust	Y
Senator Davison	Y		Senator Sorvaag	Y
Senator Dever	Y		Senator Heckaman	Y
Senator Erbele	Y		Senator Mathern	Y

Roll Call Vote 14-0-0

Additional written testimony: #10936

Senator Holmberg closed the hearing at 11:00 a.m.

Skyler Strand, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1107: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1107 was placed on the Fourteenth order on the calendar.

Senate Appropriations Chair Homberg and Members;

I understand that HB1107 has been referred to your committee for consideration. I wanted to share the important and fiscal impact of not approving this bill. Bottom line is HB 1107 keeps North Dakota in line with new Federal Law. Without HB 1107 ND will lose tuition from the GI Bill.

On January 5, 2021 President Trump signed into law the 116th US Congress' HR 7105 Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020 which is now part of Public Law 116-315.

This requires that State Approving agencies will disapprove courses in which the tuition and fees are higher than the rate the institution charges for residents of the state.

The ND State Approving Agency reviews, approves or disapproves courses in ND Institutes of Higher Learning for eligibility of GI Bill.

The VA expended **\$47,818,000** in Federal Education benefits in ND (2018 & 2019).
-These courses would be disapproved if tuition is not at state resident rate or less.

See attached Talking Paper by Scott Fuller of NDSU:

TALKING PAPER
ON
PROVIDING IN-STATE TUITION TO DEPENDENTS OF VETERANS

- Veterans from other states often inquire whether North Dakota institutions offer in-state tuition rates for their dependent children. Currently, the North Dakota Century Code does not allow dependents of non-North Dakota Veterans the in-state tuition rate at state institutions. Dependent children (ages 18-26) should be afforded the in-state tuition rate because of the unique sacrifices Veterans and their families endure while serving their country. Dependent children of Veterans should be considered a North Dakota resident for tuition purposes, regardless of their utilization of transfer of Veteran benefits. And, North Dakota can continue to bolster its reputation as a military friendly state by affording the in-state tuition rate to dependents of Veterans from other states.

- The majority of out-of-state students come from Minnesota. The difference in tuition rates between the Minnesota reciprocity rate and the highest North Dakota in-state tuition rate is \$478/semester or over \$900/year. A student from our other bordering states, Montana and South Dakota, would save \$795/semester or nearly \$1,600/year. While these potential students would save money by using the ND in-state tuition rate, their presence in the state will exponentially generate much more revenue for the state over the same period of time. There are several advantages to allowing the in-state tuition rate to dependents from outside the state:

-- Allowing non-North Dakota dependents the in-state tuition rate will improve declining attendance rates.

- Universities will recoup any loss of tuition revenue by filling vacant dormitories.
- The economic impact on North Dakota would be positively affected through increased spending on housing, transportation, sales and employment taxes, consumer spending, medical expenses, day-to-day living expenses, etc).
- Students earning degrees at a North Dakota institutions are more likely to become permanent residents, strengthening the North Dakota economy through long term employment and raising families.
- Future generations of students are likely to attend their parents' North Dakota alma mater, which would continue the cycle of generating revenue and bolstering the North Dakota economy.
- North Dakota's reputation as a military friendly state will continue to flourish.

Scott Fuller/NDSU/701.231.9782/10 Sept 18