2025 HOUSE EDUCATION

HB 1179

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau AB Room, State Capitol

HB 1179
1/15/2025

Relating to paid time off for faculty at public institutions of higher education.

2:25 p.m. Chairman Heinert called the hearing to order.

Members Present: Chairman Heinert, Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Heilman, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Discussion Topics:

- PTO for faculty members
- Contracts of faculty

2:52 p.m. Representative Murphy introduced the bill and submitted testimony #29132.

3:12 p.m. Lisa Johnson, Vice Chancelor for Academic affairs, NDUS, testified in opposition and submitted testimony #29281.

Additional written testimony:

Rachelle Hunt, President of Council on College Faculties, submitted testimony in opposition. #29257

3:22 p.m. Chairman Heinert adjourned the meeting.

Leah Kuball, Committee Clerk

HB1179
Bill Testimony
Rep. Eric J. Murphy
District 43, Grand Forks

This bill requires an institution under the control of the State Board of Higher Education to give 24 days of paid time off (PTO) to faculty on a 12-month contract or appointment and to establish a system to tract the use of this PTO. Note that faculty on 9- and 10-month contracts are not eligible. Faculty on a 12-month contract can carry over 30 days or 240 hours of PTO into the next calendar year.

Discrepancies in North Dakota University System

Currently at North Dakota State University (NDSU), according to NDSU Policy 130 Annual Leave in section 5, "*Annual leave for 12 month faculty and other non-banded job categories not identified in #3 above is earned at a rate of 16 hours per month, 24 days per year. Annual leave will be prorated for those who are less than fulltime. For non-banded employees on 9, 10, and 11 month appointments, see section 320*."

Meanwhile, at UND, administration has been reluctant to have a similar policy. In fact, at UND, 12-month faculty have no PTO, although breaks during semesters and between semesters are considered workdays for faculty on a 12-month contract. Why is this important? Because many 12-month contracted faculty just take these days off as well as time during the summer, creating a chaotic system in which time off is not tracked nor accounted for by administration. Hence, this bill requires an institution with faculty on a 12-month contract to have their PTO recorded and tracked, adding financial accountability of this time.

Attempts over many years to convince UND administration to internally adopt a policy like that at NDSU have proven to be fruitless. This leaves a legislative route to be a viable option, and legislative authority is evoked due to the financial ramifications of not tracking faculty time off.

What are the costs?

Until separation from the institution, there is no additional costs for this PTO other than the system to account for PTO use, which is in place for staff and administration. Upon separation, the individual will be paid for the PTO in their account, which is up to 54 days of PTO. This additional cost can be saved in salary and benefit savings until a new hire is made to replace that faculty member.

Summary

Having two major research institutions with a vast difference in benefits for 12-month contract faculty is not ideal. Further, not accounting for time off is not a financially responsible position and allows for abuse of this system. This is a straightforward bill that normalizes PTO for 12-month contracted faculty between all institutions in the NDUS.

NORTH DAKOTA
UNIVERSITY SYSTEM
ACCESS. INNOVATION. EXCELLENCE.

HB 1179
House Education Committee
January 15, 2025
Lisa A. Johnson, Vice Chancellor, NDUS
701.340.5054 | lisa.a.johnson@ndus.edu

Chair Heinert and members of the House Education Committee. My name is Lisa Johnson, and I serve as the Vice Chancellor for Academic and Student Affairs with the North Dakota University System (NDUS). I am here today on behalf of the NDUS to testify in opposition to HB 1179.

The North Dakota University System is a constitutionally created entity. Because of that, many of the traditional unified services that other State agencies share do not apply to the NDUS. Included in that, is the State Human Resource Management System, otherwise known as HRMS. Instead, the NDUS manages their own Human Resources- whether it is the System Office or the campuses individually.

The constitutional autonomy of the SBHE comes from the ND Constitution in Article VIII, Section 6.6.b. It states, "The state board of higher education shall have full authority over the institutions under its control." In other words, the institutions of higher education should be managed and run through the State Board of Higher Education. This includes the management of over 6,500 personnel and the internal operations of the campuses. There is no other area in the Century Code that purports to manage the personnel or benefits of the NDUS employees, and that is because that authority has been exclusively given to the NDUS.

If the legislature were to enact HB 1179, stipulating specific paid leave benefits to one narrow subset of approximately 250-300 NDUS employees, it provides an avenue for individuals to circumvent Board analysis and deliberation entirely. Furthermore, it opens a plethora of problems with respect to employees on campuses being treated disparately due to legislating the benefits of one specific subset of employees.

The bill fails to address questions circulating regarding prescribed accrual of annual leave for faculty on 9, 10, and 11-month contracts. In consultation with the NDUS Council of College Faculty from across the state, I do not sense that faculty support HB 1179, including faculty on 12-month contracts. It further raises questions as to whether the legislature is prepared to navigate the peripheral implications of assuming human resource policy responsibilities for roughly 2,500 faculty and 4,000 staff.

You'll see that the NDUS calculated a fiscal note totaling approximately $7.2 million if faculty on 12-month contracts were to receive 24 days of paid annual leave as proposed in HB 1179.

I wish to close by reiterating my introductory comments. The issue cited in HB 1179 is well within the purview of the State Board of Higher Education. The Board has strong leadership, the statutory authority, and the ability to convene with much greater frequency to consider this HR matter.

I respectfully ask for a "do not pass" on HB 1179.

HB 1179
House Education Committee
January 15th, 2025

Dear Chair Heinert and members of the House Education Committee,

We, the Council of College Faculties (CCF), representing faculty across all 11 North Dakota University System (NDUS) campuses, wish to express our serious concerns regarding House Bill 1179. We strongly urge the House Education Committee to vote in opposition to this bill.

First and foremost, this legislation is unnecessary. The North Dakota Constitution provides the SBHE with broad powers and specifies that the SBHE retains any powers it does not explicitly delegate to the institutions. Specifically, the SBHE was established by an initiated measure approved by the voters in 1938 (now Art. VIII, § 6 of the North Dakota Constitution). Art. VIII, §6 states the SBHE "shall have the control and administration of" all the state institutions established in the state constitution at that time and "such other state institutions of higher education as may hereafter be established." Further, the SBHE "shall have full authority over the institutions under its control" and "full authority to organize or reorganize within constitutional and statutory limitations, the work of each institution under its control, and do each and everything necessary and proper for the efficient and economic administration of said state educational institutions." Later, the state legislature enacted North Dakota Century Code § 15-10-01.2, which states: "The institutions of higher education under the control of the state board of higher education are a unified system of higher education, as established by the board, and are designated as the North Dakota University System" (NDUS).

At present, there is no existing policy from the NDUS or the State Board of Higher Education (SBHE) concerning 12-month faculty contracts. According to the legal counsel of the NDUS, individual campuses retain discretion and latitude to contractual terms for all faculty, including those on 12-month contracts. The CCF fully supports this current practice, as it allows for the necessary flexibility to address the unique needs and circumstances of each institution.

Members of the CCF encourage a review of unintended consequences of HB 1179:

1. **Financial Strain on Institutions:** Public institutions of higher education in North Dakota operate within tight budget constraints. Mandating a substantial increase in paid time off without corresponding funding allocations will strain financial resources. The financial impact could lead to cuts in crucial areas diminishing the overall quality of education we provide.

2. **Negative Impact on Student Access to Faculty:** Mandating a substantial increase in paid time off without replacement faculty or adding student support staff will negatively impact student experience, as well as potentially affect student retention and success.

3. **Administrative Burden:** Implementing a new system to record and track paid time off accrual and usage for faculty members will require substantial administrative effort and resources. This additional burden may divert focus from our primary mission of education and research, causing inefficiencies and potential disruptions in daily operations such as reducing availability for students.

4. **Inequitable Treatment between state employees:** Faculty members face different expectations and workloads compared to administration and staff. Faculty engage in research, teaching, and service activities that do not align with the typical staff work schedule (e.g., a Monday through Friday, 40-hour work week). The proposed bill does not consider these distinctions, leading to potential inequities and misunderstandings regarding paid time off and adversely affecting the educational experience of our students. NDUS Human Resources Policy Manual: Section 6: Annual Leave identifies the rate of annual leave accrual in full-time benefitted employees. HB1179 starts with 24 days per year. For any other full-time benefitted employee, it would take 18 years of service to earn that number of days. This creates a significant inequity among benefited employees.

5. **Issues Related to Concurrent Funding and Grant-Funded Positions:** Many faculty members are involved in grant-funded research projects that have specific time and effort reporting requirements. The proposed bill could create complications related to grant compliance, where faculty members might be perceived as receiving compensation from grant funds for work being completed and institutional funds for mandated paid time off during the same period. This could jeopardize compliance, future funding opportunities, and create financial and administrative challenges for institutions.

HB 1179 is a bill that would have long-term negative impacts on our university system. We urge your committee not to pass HB 1179.

Respectfully submitted,
The Council of College Faculties

Rachelle Hunt (VCSU) - CCF President
Rachelle.hunt@vcsu.edu

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau AB Room, State Capitol

HB 1179
1/21/2025

Relating to paid time off for faculty at public institutions of higher education.

2:43 p.m. Chairman Heinert called the hearing to order.

Members Present: Chairman Heinert, Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Heilman, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Discussion Topics:

- Committee Discussion

2:44 p.m. Representative Heilman moved a Do Pass and Rereferred to Appropriations.

2:44 p.m. Representative Jonas seconded the motion.

2:49 p.m. Representative Heilman rescinded his motion.

2:49 p.m. Representative Jonas seconded the motion.

2:51 p.m. Chairman Heinert closed the hearing.

Leah Kuball, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Education Committee
Coteau AB Room, State Capitol

HB 1179
1/28/2025

Relating to paid time off for faculty at public institutions of higher education.

4:21 p.m. Chairman Heinert called the hearing to order.

Members Present: Chairman Heinert, Vice Chairman Schreiber- Beck, Representatives, Conmy, Hager, Hatlestad, Hauck, Heilman, Jonas, Longmuir, Maki, Marchall, Morton, Novak, Osowski

Discussion Topics:

- Committee action

4:22 p.m. Representative Heilman moved to adopt amendment 25.0633.01001.

4:22 p.m. Representative Hauck seconded the motion.

Representatives	Vote
Representative Pat D. Heinert	Y
Representative Cynthia Schreiber-Beck	Y
Representative Liz Conmy	Y
Representative LaurieBeth Hager	Y
Representative Patrick R. Hatlestad	Y
Representative Dori Hauck	Y
Representative Matthew Heilman	Y
Representative Jim Jonas	Y
Representative Donald W. Longmuir	Y
Representative Roger A. Maki	Y
Representative Andrew Marschall	Y
Representative Desiree Morton	Y
Representative Anna S. Novak	A
Representative Doug Osowski	Y

Motion carried: 13-0-1

4:24 p.m. Representative Heilman Moved a Do Pass as amended

4:24 p.m. Representative Morton seconded the motion.

Representatives	Vote
Representative Pat D. Heinert	Y
Representative Cynthia Schreiber-Beck	Y
Representative Liz Conmy	Y
Representative LaurieBeth Hager	Y
Representative Patrick R. Hatlestad	Y
Representative Dori Hauck	Y
Representative Matthew Heilman	Y
Representative Jim Jonas	Y
Representative Donald W. Longmuir	Y
Representative Roger A. Maki	Y
Representative Andrew Marschall	Y
Representative Desiree Morton	Y
Representative Anna S. Novak	A
Representative Doug Osowski	Y

Motion carried: 13-0-1

Bill carrier: Representative Heilman

4:25 p.m. Chairman Heinert closed the hearing.

Leah Kuball, Committee Clerk

25.0633.01001
Title.02000

Prepared by the Legislative Council staff for Representative Heilman
January 25, 2025

1-28-25

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1179

Introduced by

Representatives Murphy, Conmy, Hager, Jonas, Longmuir, Richter, Schreiber-Beck

Senator Cleary

A BILL ~~for an Act to create and enact a new section to chapter 15-10 of the North Dakota Century Code, relating to paid time off for faculty at public institutions of higher education.~~for an Act to provide for a legislative management study regarding paid time off for the faculty at an institution of higher education.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

~~**SECTION 1.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:~~

~~**Public institutions of higher education - Faculty - Paid time off.**~~

~~1. An institution of higher education under the control and subject to the administration of the state board of higher education shall:~~

~~a. Provide to a faculty member appointed to at least a twelve-month term of employment twenty-four days of paid time off each calendar year.~~

~~b. Implement a system to record and track paid time off accrual and use for faculty.~~

~~2. A faculty member shall use or forfeit paid time off exceeding a balance of thirty days before December thirty-first of each calendar year.~~

~~3. Upon a faculty member's termination of employment at an institution of higher education, the institution shall pay the faculty member an amount equal to the faculty member's accrued paid time off at the faculty member's rate of pay, but not more than fifty-four days of paid time off may be paid.~~

HB 2082

~~4. If an institution of higher education does not provide faculty members appointed to at least a twelve-month term of employment paid time off on August 1, 2025, the institution must grant fifty-four days of paid time off to the faculty members on January 1, 2026.~~

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PAID TIME OFF FOR FACULTY OF AN INSTITUTION OF HIGHER EDUCATION. During the 2025-26 interim, the legislative management shall consider studying requiring each institution of higher education to provide paid time off to faculty members appointed to at least a twelve-month term of employment. The study must include a comprehensive review of in-state and out-of-state leave policies for institutions of higher education. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

REPORT OF STANDING COMMITTEE
HB 1179

Education Committee (Rep. Heinert, Chairman) recommends **AMENDMENTS (25.0633.01001)** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1179 was placed on the Sixth order on the calendar.

2025 SENATE EDUCATION

HB 1179

2025 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1179
3/5/2025

To provide for a legislative management study regarding paid time off for the faculty at an institution of higher education.

9:00 a.m. Chairman Beard called the hearing to order.

Members Present: Chairman Beard; Vice-Chairman Lemm; Senators: Axtman, Boschee, Gerhardt, and Wobbema.

Discussion Topics:

- 12 month contracted faculty
- Financial accountability

9:00 a.m. Representative Murphy, District #43, introduced the bill and submitted testimony #38788.

Additional written testimony:

Andy Armacost, President University of North Dakota, submitted testimony in opposition #38724.

9:14 a.m. Chairman Beard closed the hearing.

Susan Helbling, Committee Clerk

Testimony for the 69th Legislative Assembly – Senate Education
March 5, 2025
Andy Armacost, President, UND
andrew.armacost@UND.edu | 701.777.2121

Bill: HB 1179
Position: In Opposition

Chairman Beard and Members of the Senate Education Committee,

My name is Andy Armacost, and I serve as the President of the University of North Dakota. I offer this testimony in opposition to Engrossed Bill 1179.

Two years ago, I was asked to adopt this proposed leave policy at the University of North Dakota. At that time, the legal advice provided indicated it would violate North Dakota Century Code, and the State Board of Higher Education granted each institution the authority to implement leave policy as they saw fit.

In response to the filing of 1179, we received a different legal assessment, which indicated such a policy would not violate state law, yet the SBHE reinforced their position that this should remain a campus decision.

Before making such a change to our faculty leave policy, I would first consult with our campus members to determine the interest and impact of such a change. Given the Council of College Faculty's previous testimony in opposition to this bill, we now have a good sense of their position.

I believe this to be the case of a well-intentioned legislator -- he himself is a UND faculty member -- who believes legislating a leave policy is a proper course of action. Guidance from the State Board of Higher Education indicates this is my responsibility as the institution's president.

Keep in mind that I have an obligation to all members of the campus, not just one. When I hear the widespread opposition to this change, I remain convinced that many elements of the original bill would be bad idea and that the engrossed bill's proposed study is unnecessary.

I encourage you to vote DO NOT PASS on this bill.

Thank you.

HB1179
Bill Testimony
Rep. Eric J. Murphy
District 43, Grand Forks

Chairman Beard and members of the Senate Education Committee. This amended bill seeks to study paid time off (PTO) for 12-month contracted faculty in the North Dakota University System. Best practices for PTO for 12-month contracted faculty will be examined for both in-state and out-of-state institutions of higher education.

The original intent of this bill was to require all institutions under the control of the State Board of Higher Education to give 24 days of paid time off (PTO) to faculty on a 12-month contract or appointment and to establish a system to tract the use of this PTO. Faculty on a 12-month contract can carry over 30 days or 240 hours of PTO into the next calendar year. Note that faculty on 9- and 10-month contracts are not eligible.

Discrepancies in North Dakota University System
The origin of this bill was the tremendous difference found in the North Dakota University System. Currently at North Dakota State University (NDSU), according to NDSU Policy 130 Annual Leave in section 5, "*Annual leave for 12 month faculty and other non-banded job categories not identified in #3 above is earned at a rate of 16 hours per month, 24 days per year. Annual leave will be prorated for those who are less than fulltime. For non-banded employees on 9, 10, and 11 month appointments, see section 320*."

At UND, 12-month faculty have no PTO and breaks during semesters and between semesters are considered workdays for faculty on a 12-month contract. Why is this important? Because what exists is a chaotic system in which 12-month faculty time off is not tracked nor accounted for by administration. Hence, this bill requires an institution with faculty on a 12-month contract to have their PTO recorded and tracked, adding financial accountability of this time.

What are the costs?
Until separation from the institution, there is no additional costs for this PTO other than the system to account for PTO use, which is already existing for staff and administrators. Upon separation, the individual would be paid for the PTO in their account, which is up to 54 days of PTO, in a manner that is the same policy used for administrators and staff.

Summary
Having two major research institutions with a vast difference in benefits for 12-month contract faculty is not ideal. Further, not accounting for time off is not a financially responsible position and allows for abuse of this system. This original bill, prior to being amended, was a straightforward bill that normalizes PTO for 12-month contracted faculty between all institutions in the NDUS. The amended bill is intended to study PTO at institutions in North Dakota and to compare best practices in North Dakota and in other states.

2025 SENATE STANDING COMMITTEE MINUTES

Education Committee
Room JW216, State Capitol

HB 1179
3/5/2025

To provide for a legislative management study regarding paid time off for the faculty at an institution of higher education.

2:22 p.m. Chairman Beard called the hearing to order.

Members Present: Chairman Beard; Vice-Chairman Lemm; Senators: Axtman, Boschee, Gerhardt, and Wobbema.

Discussion Topics:

- Committee Action

2:24 p.m. Senator Axtman moved Do Not Pass.

2:24 p.m. Senator Wobbema seconded the motion.

Senators	Vote
Senator Todd Beard	Y
Senator Randy D. Lemm	Y
Senator Michelle Axtman	Y
Senator Josh Boschee	Y
Senator Justin Gerhardt	Y
Senator Mike Wobbema	Y

Motion Passed 6-0-0

Senator Boschee will carry the bill.

2:27 p.m. Chairman Beard adjourned the meeting.

Susan Helbling, Committee Clerk

REPORT OF STANDING COMMITTEE
ENGROSSED HB 1179 (25.0633.02000)

Education Committee (Sen. Beard, Chairman) recommends **DO NOT PASS** (6 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1179 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.