

2009 HOUSE EDUCATION

HB 1434

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1434

House Education Committee

☐ Check here for Conference Committee

Hearing Date: January 28, 2009

Recorder Job Number: 8055

Committee Clerk Signature

*Carmen Hart*

Minutes:

**Rep. Stacey Dahl, District 42, Grand Forks,** was a sponsor of HB 1434. **(See Attachment 1.)** She expressed that Senator Robinson was unable to be at the hearing but was in support of this bill.

**Rep. Karen Karls:** What was the amount you said that New York spent?

**Rep. Stacey Dahl:** It was around \$250 million in one- time spending.

**Rep. Phillip Mueller:** It talks about the endowed chair position. So that means just the chairman of the department would be eligible to receive these?

**Rep. Stacey Dahl:** That is Legislative Council's language. What I wanted to convey was that it should be open for faculty salaries. If there was someone who is an up and coming political science professor who is not the chair, the intent is for that person to essentially get funding. If we have to, amend that language to loosen that up that is expert and meaningful.

**Vice Chair Lisa Meier:** This doesn't include private institutions, does it?

**Rep. Stacey Dahl:** No, it does not.

**Rep. Brenda Heller:** In real simple layman terms, what does this bill mean?

**Rep. Stacey Dahl:** The state appropriates \$10 million. That money can be matched by each institution up to a certain level. That level is determined by how many students they have. For every dollar that they raise, we put in a dollar to match those funds. The purpose would be

limited to endowing those faculty positions. That money would sit in a fund and grow interest and we could spend that interest from that fund, and you would have that pot of money forever.

**Rep. Jerry Kelsh:** Doesn't the budget for higher education usually include some discretionary funding for stipends?

**Rep. Stacey Dahl:** I do believe that it was an issue that was looked at and interested in but felt that this should be a legislative initiative. I did speak with one former member of the board and that is what he conveyed to me that they felt this should come as legislative initiative and not necessarily from the board of higher ed.

**Rep. Jerry Kelsh:** Don't they already have a pot of money that they can be used in somewhat this manner--that is already in the budget?

**Rep. Stacey Dahl:** They may. Not that I am aware of. This would be a specific allocation.

**Rep. Corey Mock:** Is the dollar for dollar match—that's not the endowment, it's the interest from the endowment that would go for...?

**Rep. Stacey Dahl:** The way I intended this was for the fund to be established, the principal would be the dollar for dollar match. What would be incentive would be the interest from that time. Essentially, we would have the \$20 million split between the 11 institutions that we have so that the interest could be spent from those funds.

**Rep. Corey Mock:** Why limit it to the dollar for dollar match? You could start it down at \$10 million and the institution has donors that would be willing to do this. Why cap it?

**Rep. Stacey Dahl:** You certainly wouldn't have to, but \$10 million is what the state would put forward. For those dollars to be released from the general appropriations, they would have to be matched by that institution. That is the purpose of that.

**Laura Glatt, North Dakota University System,** appeared in support of HB 1434. **(See Attachment 2.)** She answered one question that was asked earlier. The question was

doesn't the board's budget for the university system currently have a pool of discretionary dollars that can be used for this purpose? The answer is no. The board use to have discretionary dollars. Those were removed in the 2007-2009 biennium.

**Rep. John Wall:** I do support HB 1434. I do so because of the very nature of the bill. I do realize it carries a great deal of money with it, but I am also aware that retaining our best faculty is often difficult. If we have a pool of money that might help, it is something that we should consider. A college or university is only as good as the faculty. I think this could enhance faculty position. I think we could see fewer research dollars leaving our state. In my own situation within the last year, I know our local college lost an excellent instructor. He had very few wants which we could have satisfied then with the state but instead he went to another state. He happened to be an expert in automotive technology. I think we need to start somewhere to keep the very best, the very brightest that we have. I think it might be a cure that is worth looking at.

**Rep. David Rust:** Item 1 basically says that \$10 million would be distributed. You take number of students in the institution divided by the total students...?

**Rep. John Wall:** That is correct.

There was no opposition.

The hearing was closed on HB 1434.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1434

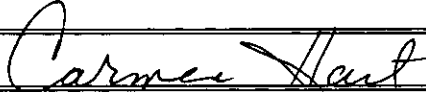
House Education Committee

☐ Check here for Conference Committee

Hearing Date: February 2, 2009

Recorder Job Number: 8366

Committee Clerk Signature



Minutes:

HB 1434 sets up \$10 million endowment fund for chair positions.

**Rep. Jerry Kelsh** made a motion to **Do Not Pass**. **Rep. Dennis Johnson** seconded the motion.

**Vice Chair Lisa Meier:** I think the concept is great but the price tag is too big right now.

**Rep. Jerry Kelsh:** We have a slug of bills on the floor--\$800 million. This has good content but we just can't do them all.

**Chairman Kelsch:** It is unfortunate we don't have an open ended checkbook to do all these things.

**Rep. John Wall:** I understand why there is a Do Not Pass, but I will probably have to vote against the Do Not Pass.

**DO NOT PASS. 11 YEAS, 3 NAYS.**

**Rep. Lyle Hanson** is the carrier of the bill.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1434

House Education Committee

☐ Check here for Conference Committee

Hearing Date: February 9, 2009

Recorder Job Number: 9053

Committee Clerk Signature

*Carmen Hart*

Minutes:

**Vice Chair Lisa Meier** conducted this meeting.

**Rep. Corey Mock** moved to reconsider HB 1434. **Rep. John Wall** seconded the motion.

**Rep. John Wall** moved the following amendment to HB 1434. The amendment is to strike \$10 million and replace with \$500,000 in Line 21. **Rep. Corey Mock** seconded that motion.

**Rep. Bob Hunsakor:** Does that amount of money accomplish the purpose of the bill?

**Rep. John Wall:** I believe it is a beginning to start the foundation. Frankly, that would be my goal. We have some state money that people could match. We can endow chairs if we can keep some of our best college professors on board and retain them.

**Rep. Corey Mock:** With the amendment is it geared toward one or two universities?

**Rep. John Wall:** It would stay the same. It would be on number of students divided out. It wouldn't simply go to the research universities. It would go to all 11 higher institutions per capita.

**Rep. Lyle Hanson:** The main sponsor of the bill says it is just the two universities.

**Rep. John Wall:** Line 12 answers that. It goes to all 11 campuses based on student enrollment.

**Rep. Lyle Hanson:** Because I am carrying it on the floor, I went to her and asked why she brought it back. She said to cut the appropriation down and just these two universities.

**Rep. John Wall:** I cannot speak for Rep. Dahl, the primary sponsor. I did not amend it to just two universities. That part of the bill remains as it is.

**Rep. Phillip Mueller:** Do we have amendments or do we just have a change here in the bill?

**Rep. John Wall:** Because we ran over at noon, I do not have them.

**Rep. Lyle Hanson:** Are we too late to get a bill out of here and put it in appropriations? I thought the 5<sup>th</sup> was the deadline.

**Vice Chair Lisa Meier:** We received a little bit of allotment on this. I visited with the chair this morning and she said if we kicked it out today, it would be alright.

A voice vote was taken on the amendment. The motion carries.

**Rep. Brenda Heller** made a motion for a **Do Pass as Amended** on HB 1434. **Rep. David Rust** seconded the motion.

**Rep. Bob Hunsakor:** Apparently Rep. Hanson's concerns are not to be taken seriously then according to the word in here and not the intention of the prime sponsor.

**Vice Chair Lisa Meier:** My thoughts on the bill would be just to have the amendment be \$500,000 and to include all the universities. I haven't had any discussion with the bill sponsor but I still understand it to include all the universities. I think that is the understanding of the committee members in this room too.

**DO PASS AS AMENDED AND REREFERRED TO APPROPRIATIONS, 9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING.** **Rep. John Wall** is the carrier of the bill.

Date: 2-2-09  
Roll Call Vote #: \_\_\_\_\_

**2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 1934**

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☐ Do Pass ☒ Do Not Pass ☐ Amended

Motion Made By Rep Kelsh Seconded By Rep. Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman RaeAnn Kelsch	✓		Rep. Lyle Hanson	✓	
Vice Chairman Lisa Meier	✓		Rep. Bob Hunsakor	✓	
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) 11 No 3

Absent 0

Floor Assignment Rep Hanson

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



**REPORT OF STANDING COMMITTEE**

**HB 1434: Education Committee (Rep. R. Kelsch, Chairman) recommends DO NOT PASS**  
(11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1434 was placed on the  
Eleventh order on the calendar.

Roll Call Vote #: 7

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

House	<u>Education</u>	Committee
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☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☐ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep Mock Seconded By Rep Wall

[illegible]

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

**Absent** \_\_\_\_\_

## Floor Assignment

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

VR  
2/10/09

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1434

Page 1, line 21, replace "\$10,000,000" with "\$500,000"

Renumber accordingly

Date:

Roll Call Vote #:

## 2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES

House Education☐ Check here for Conference Committee**Legislative Council Amendment Number**

### Action Taken

☒ Do Pass

☐ **Do Not Pass**

Amended

**Motion Made By****Seconded By**[illegible]

**Total (Yes)**

**Absent**

## Floor Assignment

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

Date: 2-9-09  
Roll Call Vote #: 3

**2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 1434**

House Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended

Motion Made By Rep. Heller Seconded By Rep. Rust

Representatives	Yes	No	Representatives	Yes	No
Chairman RaeAnn Kelsch			Rep. Lyle Hanson		✓
Vice Chairman Lisa Meier	✓		Rep. Bob Hunsakor	✓	
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) 9 No 4

Absent 1

Floor Assignment Rep Wall

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

Referred to approp.

**REPORT OF STANDING COMMITTEE**

**HB 1434: Education Committee (Rep. R. Kelsch, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). HB 1434 was placed on the Sixth order on the calendar.**

Page 1, line 21, replace "\$10,000,000" with "\$500,000"

Renumber accordingly

2009 HOUSE APPROPRIATIONS

HB 1434

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1434

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 13, 2009

Recorder Job Number: 9483

Committee Clerk Signature

*Carmen Hart*

Minutes:

Rep. Kelsch explained HB 1434. We want to keep faculty on the campuses. Amended from \$10 million to \$500,000. We couldn't pass it out with \$10 million but did think the idea was worthy.

Chm. Svedjan: Encourages leveraging for private contributions?

Rep. Kelsch: It is dollar for dollar from a non-public source. It would have to be private sector money.

Chm. Svedjan: Those chairs would no longer be included in budgetary requests.

Rep. Kelsch: That's correct.

Chm. Svejdan: The benefit to the state could be quite substantial.

Rep. Kaldor: What is going to be required in the next biennium? Is this a one-time investment or is this a continuing program? I am assuming we will be appropriating \$500,000 indefinitely?

Rep. Kelsch: That could be potentially a one-time appropriation then based on the interest to continue to grow and years later you may have to come back. When it is \$500,000 that is not a great amount to grow a great deal of interest and to have the sustainability so perhaps \$500,000, we may have to come back next session. As I stated, the bill originally had \$10

million in it and that was her thought was that you would take the \$10 million, you would start it and based on the interest growing you probably could keep that going for quite some time.



Rep. Nelson: Was there discussion about utilization of fed stimulus money?

Rep. Kelsch: We talked briefly about the concept. If stimulus monies could be used then we have the vehicle to do it.

Rep. Metcalf: What is your definition of a non-public source? Could it be an alumni association?

Rep. Kelsch: I believe it could be. It is coming from private citizens. It would be alumni money. It could be foundation money. The money could not come from taxpayer dollars. They would come from private sources. They could come from businesses. If Scheels in Fargo or Cardinal IG thought that it was important to have an endowed chair in the architectural department or sports or something, they could do that. They could contribute and it would be a dollar for dollar match.

Chm. Svedjan: The contribution from the private source would have to be for an endowed chair? A foundation couldn't just take some of their assets and match?

Rep. Kelsch: Correct. No, it has to be for an endowed chair.

Rep. Skarphol: I could support this with some caveats. I think we should say "no more than 20% could be given to one institution and there would be a required 5 to 1 match in order to be eligible for that and it is intended not to reoccur at any institution." Each institution could get one so we could potentially have to fund it next time but it sets some type of limit.

Rep. Kelsch: The sponsor of the bill thought that if we were reducing the appropriation down to \$500,000 it should apply only to the two research institutions just based on the fact that it is very difficult to keep the endowed chairs. We said no because we thought the bill wouldn't have the same appeal as if it was offered to all 11 campuses.

Rep. Delzer: How many endowed chairs do we have now?

Rep. Kelsch: I don't know how many we have and higher ed did not provide that to us.

Rep. Delzer: Was there research done as to whether other states do this?

Rep. Kelsch: 23 other states.

Rep. Delzer: Have they lowered their funding to Higher Ed because of this?

Rep. Kelsch: Yes but they did not provide the exact percentages. They had lowered their appropriations or what the cost savings were for the state. We were told that they have experienced cost savings in each of those 23 states. Those programs have been in effect for a long time.

Rep. Wald: What is the tax deductibility scenario if someone comes forward from the private sector and says here is a million dollars to endow an accounting chair at Dickinson State University?

Rep. Kelsch: That's a good question, I'm assuming it is, but I don't know all the tax code laws.

Chm. Svedjan: If it's a 501c(3) organization, it is tax deductible, but you may not be able to take the full deduction in one year, say if it is a million dollar gift. You can spread it over five years.

Rep. Delzer: Would this affect that ability to be a tax deduction when you're matching with state money?

Chm. Svedjan: No.

Rep. Pollert: This bill does not apply to University of Mary or Jamestown College. Are we not giving another further advantage to public institutions and continue to expect the private institutions to still do their fundraising as much as they have to stay in operation?

Rep. Kelsch: The answer is yes.

Rep. Berg: Doing a 5:1 match encourages institutions to do this. Put a 20% cap so no institution is getting more than 20% and maybe sunset it in two years. If no one has used it, it

goes back into a pool or something like that. The concept leverages more money that will impact what we spend on Higher Ed.

Chm. Svedjan: The value of going to a higher match relates to the amount of money that's in here. It wouldn't take long at a major university to consume this whole amount. They get contributions well above half a million dollars. The value of the 5:1 match would leverage this \$500,000 to a much greater extent but it could put the smaller institutions at a disadvantage.

Rep. Skarphol: That would be the logic to limiting this to one at each institution in this biennium. That way if a smaller institution wanted the opportunity to work for 18 months, the two larger institutions could suck up the whole \$500,000 and it would be gone for that smaller institution.

Rep. Delzer: When you read Subsection 1, are the research institutions over 20% of the full time FTEs of the whole system?

Rep. Berg: I think Higher Ed has about 30,000 students. There is 12,000 at UND and about that at NDSU. Assuming the FTEs track the students, it would be way more than 40% to the research universities.

Chm. Svedjan: This discussion relates to the dollars. That is why I have let it go on. I am not hearing any proposed amendments here yet. There have been a number of ideas that should we kick this bill out the way it is, it can be done over in the senate unless your desire is to do it here. What are your wishes?

Rep. Skarphol: I am not quite sure based on Section 1 because I hadn't read that. I would still like it to be available to one of the smaller institutions in the event that they had an alumni that would be able to do it. What I think you are telling is that the two larger institutions would probably get \$400,000 of the \$500,000?

Rep. Berg: Let's assume it's a million dollars rather than \$500,000. Each one would get 20%. In this case of the \$500,000, each would get \$100,000. We have \$300,000 between the rest of the institutions.

Rep. Hawken moved a Do Pass.

Rep. Ekstrom seconded the motion.

Rep. Skarphol: UND and NDSU could take it all and I will not support the bill

Rep. Kaldor: I think it's the best way to invest \$500,000 in Higher Ed. as well. Small institutions would get something out of this. It would be difficult to call it an endowed chair fund because the amount would be so small. Most of these institutions are having actually a hard time recruiting new faculty and, of course, we do need to give them latitude to retain the highest quality faculty they have and this amount is just not enough.

Rep. Nelson: I think we should forward this bill as it is. The dollar for dollar match is a supportive piece of it and there is no question that the \$500,000 is not enough. Maybe some stimulus money could be used. If no money is put in, the Senate could look at the amendment proposals that we have looked at as well.

Rep. Wald: I would move to further amend to not allocate any more than 20% to any one institution.

Chm. Svedjan: That is really in there. Paragraph 1, at least based on my read.

DO PASS. 17 YEAS, 7 NAYS, 1 ABSENT AND NOT VOTING.

Rep. Wald is the carrier of this bill.

Date: 2/13/09  
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

**Full House Appropriations Committee**

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken do Pass

Motion Made By Speaker Seconded By Ekstrom

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich		✓			
Rep. Skarphol	✓		Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein		✓			
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glassheim	✓	
Rep. Thoreson	✓		Rep. Kaldor		✓
Rep. Berg	✓		Rep. Meyer	✓	
Rep. Dosch		✓			
Rep. Pollert		✓	Rep. Ekstrom	✓	
Rep. Bellew		✓	Rep. Kerzman	✓	
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland	✓				

Total (Yes) 17 No 7

Absent 1

Floor Assignment Rep. Wall

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

**REPORT OF STANDING COMMITTEE (410)**  
February 13, 2009 7:06 p.m.

**Module No: HR-29-2816**  
**Carrier: Wall**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1434, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman)**  
recommends **DO PASS** (17 YEAS, 7 NAYS, 1 ABSENT AND NOT VOTING).  
Engrossed HB 1434 was placed on the Eleventh order on the calendar.

2009 SENATE EDUCATION

HB 1434

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1434

Senate Education Committee

☐ Check here for Conference Committee

Hearing Date: March 3, 2009

Recorder Job Number: 10030, 10079

Committee Clerk Signature
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Minutes:

Chairman Freborg opened the hearing on HB 1434. All members were present.

Senator Robinson introduced the bill. The bill is an attempt to provide some funds to match university foundations. The bill started at the \$10 million level, the House reduced it to \$500,000. There is a lot of confusion about the work of university foundations across the state of North Dakota. He works at Valley City State University and they have a small foundation that exists for the betterment of the University. The resources they provide advance the mission and purpose of their institutions and reduce the commitment the state has to make, especially in the area of scholarships. At Valley City, they have 10,000 alumni and 25 – 27% contribute to the foundation, a good percentage. Often the donations come in the form of an estate. The bill is an attempt to match some dollars to allow the foundations to grow their base. Many foundations have experienced unrealized losses in excess of 30%. The potential to match gifts is real. There are folks out there that are willing to provide dollars and 1434 would provide the enticement for them to step up to the table. Private support is more important today than ever before. The foundations struggle to raise the necessary funds in this environment.

Senator Lee asked about the term "endowed chair positions".



Senator Robinson said in larger institutions, dollars are used to endow a chair of a specific department or division, it might be in research. The endowment is invested, the interest earnings go to pay that salary and other resources are freed up for the institution. It is a very attractive recruitment and retention tool. Valley City has no endowed chairs, most of their chairs need reupholstering. Endowing a chair often brings a donor closer to the institution and other dollars will follow.

Senator Flakoll asked how much of the \$500,000 currently in the bill would be available to Valley City State University.

Senator Robinson said a very small amount. The original bill was \$10 million. They would appreciate the \$500,000. Maybe we can improve the bill. The institutions were hoping their share would be \$1 - \$2 million. This is an investment. The foundations' ability to respond to their basic scholarship commitments is severely restricted with the economic downturn. It has hurt everyone.

Senator Flakoll asked about the legislative intent. A fully endowed chair would take about \$2 million so the intent is to look at a partially endowed chair, it is not an all or nothing situation.

Senator Robinson said that is correct. A couple of institutions have "standing offers" if they could fund the matching dollars. Other states are doing this, we need to compete.

Senator Taylor asked how foundations are dispersing funds, do they dig into principal?

Senator Robinson said there is a meeting at Valley City this morning on this subject. They have a 13 year old foundation, invested in mutual funds and CD's. They are positioned for the short term with the CD's. When an investment is down 30%, it will take more than a year or two to come back. Living donors may subsidize the scholarships for 1 - 3 years. They have

permanently restricted the level of funding in all accounts and they are below that right now.

The situation is dire, we don't know when we will hit bottom. They can take care of their

commitments for two years. The potential donors they are asking have lost 30% too. No one expected this a year ago. They have a long way to go.

Representative Dahl testified in favor of the bill. See written testimony. New York set up a fund to support endowed chairs with \$250 million. The funding was significantly reduced in the House but she is willing to work with the committee.

Senator Lee said she said in testimony endowed chairs help faculty retention. What is their typical turnover?

Representative Dahl said she doesn't know. Laura Glatt should know.

Laura Glatt, North Dakota University System, testified in favor of the bill. See written testimony.

Senator Flakoll asked with current FTE's, where would we be in terms of funding with \$500,000.

Laura Glatt said she ran the numbers before she came to the hearing. The fall 2008 FTE enrollment across the state were 36,000 which would mean Valley City would receive \$11,500 and NDSU and UND would receive between \$155,000 and \$165,000.

Senator Flakoll said if we had done this a year ago, we would today have a fund worth \$350,000. How do we address that?

Laura Glatt said that is an excellent point. The committee might want to consider investment restrictions.

Senator Flakoll asked if we have provided money to foundations before. Would it change the open records status of the foundations.

Laura Glatt said her understanding is the appropriation would not be to the foundation, it would be to the campuses. The campuses have restricted dollars on their books now are not run

through the foundations. She assumes these dollars would be at the institutional level. The foundations would help them generate the private dollars.

Senator Flakoll said last session there was a bill for \$25 million that was more open ended.

How does is this bill better that the bill last session sponsored by Senators Nething and Robinson?

Laura Glatt said she does not recall the bill.

John Adams, Vice President of Finance and Administration at NDSU, testified in favor of the bill. He supports restoring more funds to the bill. \$500,000 will not go very far. In his experience working in private industry, most companies offer programs to match employee's donations, sometimes 2:1, often 1:1. It is a great incentive for alumni to donate to universities. As an example, this current biennium, they were required to provide a 10% match for a capital project, Menard Hall. It is nearly impossible to raise money for infrastructure projects but because they were only required to provide a 10% match, they were able to raise the monies.

Senator Flakoll asked how he would see the money flow and managed.

John Adams said it would come into the university and they would invest it. If they would be required to keep it in state funds, it would be kept at the Bank of North Dakota. They would be set aside as restricted funds.

Chairman Freborg closed the hearing on HB 1434.

Later in day, Chairman Freborg opened the discussion on HB 1434.

Senator Freborg said the campuses would each get \$40,000.

Senator Flakoll said it would be \$12 per student at 42,000 enrollment, \$16 per student at 36,000 enrollment..

Senator Taylor said it comes to \$13.88 per student @ \$500,000.

Senator Bakke asked how much value there is in the bill at \$500,000. It is making a joke of the whole concept.

Senator Freborg said that is right, it is not worth passing with \$500,000 in the bill.

Senator Bakke said she would like to talk with Senator Robinson about the \$500,000. Since he sits on appropriations, what he thinks would be doable in Senate Appropriations. She doesn't want to spend her time doing that if the committee doesn't have a comfort level with it. She would like to see the appropriation at least at \$1 million.

Senator Lee said we have done a lot for higher education and this is one place we could perhaps not do any more. \$10 million to \$500,000, there can't be a lot of interest in the bill.

Senator Lee moved a Do Not Pass on HB 1434. The motion died for lack of a second.

Senator Bakke moved a Do Pass on HB 1434, seconded by Senator Lee.

Senator Taylor said without an amendment, they could approve it and it wouldn't go to a conference committee. You have \$1300 for Valley City, it is a student scholarship, not an endowed chair. It is pretty weak without an amendment.

Senator Lee said it seemed like Senator Robinson was in strong support of the bill, maybe \$500,000 is ok with him.

The motion failed 0 – 5.

Senator Bakke said she will work on an amendment.

Senator Flakoll said he would like to wait until tomorrow on the bill.

Chairman Freborg closed the discussion on HB 1434.

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1434

Senate Education Committee

☐ Check here for Conference Committee

Hearing Date: March 4, 2009

Recorder Job Number: 10188

Committee Clerk Signature
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Minutes:

Chairman Freborg opened the discussion on HB 1434. All members were present.

Senator Bakke introduced the Dahl amendment. The intent is to direct the money to the foundation rather than the institutions.

Senator Bakke moved the Dahl Amendment, seconded by Senator Taylor.

Senator Taylor said it seems to clean up the bill and would improve it.

Senator Bakke said Representative Dahl said it was overlooked when the bill was drafted. It is more appropriate to have the money go to the foundations.

Senator Flakoll asked if each campus has a foundation.

Senator Bakke said she doesn't know, they could get one.

The Dahl amendment failed 2 – 3.

Senator Bakke introduced the Bakke amendment. \$500,000 is embarrassing. If we are serious we should put an amount in the bill that is worth something. This would be \$1300 to Valley City.

Senator Flakoll said it would be \$13,000 to Valley City.

Senator Bakke said it still would not fund a position. We should put a serious amount in the bill. Senator Robinson and Representative Dahl were both appreciative.

Senator Bakke moved the Bakke amendment, seconded by Senator Taylor.

The Bakke amendment failed 2 – 3.

Senator Flakoll said he would favor an amendment to require a match, \$1 from the state, \$2 from a local match.

Senator Flakoll moved the Flakoll amendment, seconded by Senator Lee.

The Flakoll amendment failed 2 – 3.

Senator Freborg turned the chair over to Senator Lee.

Senator Freborg moved a Do Pass and Rerefer to Appropriations on HB 1434, seconded by Senator Flakoll.

The motion passed 3 – 2. Senator Flakoll will carry the bill.

Senator Freborg took back the chair.

Date: 3/3/09 :  
Roll Call Vote #: 1 :

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

Senate Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Not Pass

Motion Made By Sen. Lee Seconded By \_\_\_\_\_

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

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

*Need for back  
of record.*

Date: 3/3/09  
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

Senate Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Sen. Bakke Seconded By Sen. Lee

Senators	Yes	No	Senators	Yes	No
Senator Freborg		<input checked="" type="checkbox"/>	Senator Taylor		<input checked="" type="checkbox"/>
Senator Gary Lee		<input checked="" type="checkbox"/>	Senator Bakke		<input checked="" type="checkbox"/>
Senator Flakoll		<input checked="" type="checkbox"/>			

Total (Yes) 0 No 5

Absent 0

Floor Assignment \_\_\_\_\_

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

*passed*



**PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1434**

Page 1, line 2, replace “ endowment funds” with “ foundations”

Page 1, line 7, after “ board -” insert “ Funding of foundations and creation”

Page 1, line 8, after “ to” insert “ the foundation of”

Page 1, line 14, replace “ institution” with “ foundation”

Page 1, line 15, replace “ An institution” with “ A foundation”

Page 1, line 18, replace “ institution” with “ foundation”

Page 1, line 22, after “ purpose of” insert “ making payments”

Page 1, overstrike line 23

Page 2, line 1, overstrike “ board”

Renumber accordingly

SB. 3/4/09

Date: 3/4/09  
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

Senate Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Repeal Amendment

Motion Made By Sen. Bakke Seconded By Sen. Taylor

[illegible]

Total (Yes) 2 No 3

Absent \_\_\_\_\_ 2

**Floor Assignment** \_\_\_\_\_

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

Special

**PROPOSED AMENDMENT TO ENGROSSED HOUSE BILL NO. 1434**

Page 1, line 21, replace “ \$500,000” with “ \$2,500,000”

Renumber accordingly

Date: 3/4/09  
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

Senate Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Bakke Amendment

Motion Made By Sen. Bakke Seconded By Sen. Taylor

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

Total (Yes) 2 No 3

Absent 0

Floor Assignment \_\_\_\_\_

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

Amended

Date: 3/4/09  
Roll Call Vote #: 3

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

Senate Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Flakoll Amendment

Motion Made By Sen. Flakoll Seconded By Sen. Lee

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

Total (Yes) 2 No 3

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

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

*Lines 18 + 19  
#1 state : #2 local  
for the match  
failed*

Date: 3/4/09  
Roll Call Vote #: 4

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434

Senate Education Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

### Action Taken

**Motion Made By**

Seconded By

[illegible]

Total (Yes) 3 No 2

Absent 0

## Floor Assignment

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

**REPORT OF STANDING COMMITTEE**

**HB 1434, as engrossed: Education Committee (Sen. Freborg, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (3 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1434 was rereferred to the Appropriations Committee.**

2009 SENATE APPROPRIATIONS

HB 1434



## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1434

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 03-16-09

Recorder Job Number: 11029

Committee Clerk Signature



Minutes:

**V. Chair Bowman:** Called the committee hearing to order in reference to HB 1434 in regards to Relating to endowment funds at institutions of higher education.

**Laura Glatt:** Vice chancellor testified in favor of HB 1434 and provided written testimony # 1. She explained the chart to the committee in the testimony. The bill that is before you now the funding would be provided by endowment shares. I just looked at our fall enrollment 2008; she shared where each school would get this funding.

**V. Chair Bowman:** The dollars that are generated from these endowments. Does the school just spend that many dollars over their proposed budget, or does this go to help subsidize their needs?

**Laura Glatt:** We are talking about spending the interests on the endowed funds. Institutions currently have gifts given that are managed through the institution. The intent would be, no to spend these in addition to what they are already spending, is significant.

**V. Chair Bowman:** Who makes that decision? The board of H Ed.

**Laura Glatt:** Beyond the legislation which prescribed that the money gets distributed on a per-student basis, right now the Board of H. Ed is not involved in determining where each institution endowed chairs. They may get involved or leave it up to each institution's president to make such a decision.

**Senator Christmann:** When the situation at BSC and the students from Dickinson and come here and like to buy, who would they count for in this?

**Laura Glatt:** What I looked at the fall 2008 enrollment. The way we calculate and who is producing the credit hours. Let's say I am a Dickinson State student, taking 6 credit hours through Dickinson and 6 at BSC what we do is look at credit hour production. Divide by 15, so in that scenario, they would both get credit. We are talking full time equivalency.

**Senator Christmann:** Does the interactive students count in this way?

**Laura Glatt:** We do as long as they are self-promoting programs. It is basically the same amount of instruction hours.

**Senator Christmann:** Would you have a copy sent down percentage or ratios.

**Senator Robinson:** The genesis of this particular proposal with discussion with developmental officers. This is a big program. One of the states that have done quite a bit of work is Wyoming. There are a couple of foundations in the state that could match, on their respective campuses. To have an endowment chair, it is an asset to the college. If we are in a position to attract, those shares bring with them research dollars, we have two research institutions. But others are doing research in smaller ways. (12.59) certainly this is not an intuitive to the country, new to the state yes. We don't have endowed shares in Valley City, in the larger schools they do. The committee would want to talk about it.

**V. Chair Bowman:** Sounds like we ought to close all the small schools down and put this into endowments and bring us billions of dollars back. The greater economic impact.

**Senator Robinson:** at some institutions, the focus of the money is not specific to endowed shares.

**V. Chair Bowman:** This bill will go to the Education Comm. Also. Closed the hearing.

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1434

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: April 2, 2009

Recorder Job Number: 11637

Committee Clerk Signature

*Rose Lanning*

Minutes:

**Chairman Holmberg** opened discussion on HB 1434.

**Senator Robinson** said the bill was amended down to \$500,000 which is endowment funds for higher institutions.

**Senator Robinson** moved Do Not Pass on HB 1434.

**V. Chair Grindberg** seconded.

A Roll Call vote was taken. Yea: 14    Nay: 0    Absent: 0

**V. Chair Grindberg** will carry the bill.

Date: 4-2-09Roll Call Vote # 12009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1434Senate Senate Appropriations Committee☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☐ Do Pass ☒ Do Not Pass ☐ AmendedMotion Made By Robinson Seconded By Grindberg

Senators	Yes	No	Senators	Yes	No
Sen. Ray Holmberg, Ch	<input checked="" type="checkbox"/>		Sen. Tim Mathern	<input checked="" type="checkbox"/>	
Sen. Tony S. Grindberg, VCh	<input checked="" type="checkbox"/>		Sen. Aaron Krauter	<input checked="" type="checkbox"/>	
Sen. Bill Bowman, VCh	<input checked="" type="checkbox"/>		Sen. Larry J. Robinson	<input checked="" type="checkbox"/>	
Sen. Randel Christmann	<input checked="" type="checkbox"/>		Sen. John Warner	<input checked="" type="checkbox"/>	
Sen. Rich Wardner	<input checked="" type="checkbox"/>		Sen. Elroy N. Lindaas	<input checked="" type="checkbox"/>	
Sen. Ralph L. Kilzer	<input checked="" type="checkbox"/>		Sen. Tom Seymour	<input checked="" type="checkbox"/>	
Sen. Tom Fischer	<input checked="" type="checkbox"/>				
Sen. Karen K. Krebsbach	<input checked="" type="checkbox"/>				

Total Yes 14 No 0Absent 0Floor Assignment Grindberg

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

**REPORT OF STANDING COMMITTEE (410)**  
April 2, 2009 9:08 a.m.

**Module No: SR-56-5951**  
**Carrier: Grindberg**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1434, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)**  
recommends **DO NOT PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).  
Engrossed HB 1434 was placed on the Fourteenth order on the calendar.

2009 TESTIMONY

HB 1434

1/28/09

Re: HB 1434

Attachment 1  
HB 1434

Madam Chair and Members of the House Education Committee,

In North Dakota, we basically have two overarching challenges with respect to higher education: retention of faculty and student affordability. In many ways these two challenges are not mutually exclusive, but I introduced HB 1434 to address the retention of faculty issue.

HB 1434 is a *really* smart bill for several reasons: First: timing. A matching endowment program will provide a long-term strategy to promote affordability using private and public sources.

Second: leverage. Combining business and governmental principles for this long-term plan, this program will match state dollars with private money raised. We know donors like leverage, legislators love leverage, and our campuses have a need for long-term revenue.

Third: directed funds. The Legislature gets to say where this money goes.

Around 23 states have put into practice programs like this, and with our surplus in North Dakota we have a real opportunity to fund this initiative. Bringing private citizens, campuses and university foundations together, we can help to address the issue of retention with respect to our faculty on North Dakota campuses.

Attachment 2  
HB 1434

## North Dakota University System – HB1434 Testimony

### To House Education, 1/28/09, Laura Glatt

The NDUS supports the concept of utilizing one-time revenues available to the State to match private donations for ongoing economic growth. Initially, the State Board of Higher Education considered a similar concept in development of its budget request. The SBHE plan would have created a pool of \$50 million, with match available over a six year period, as follows:

Institutional Type	State Funding	Without Match	With Match	Match Ratio (state:college)	Match Uses
Two-year colleges	\$9 million	\$4.5 million	\$4.5 million	2:1	Workforce development needs (scholarships, equipment, new program start-up funds)
Four-year colleges	\$14 million		\$14 million	2:1	Scholarships, endowed chairs, endowed professorships, and special projects
Research Universities	\$27 million one-half each to UND and NDSU)		\$27 million	1:2	Scholarships, endowed chairs, endowed professorships, and special projects

Endowments are funds held in investment portfolios, some of the interest earnings from which are used, annually to provide scholarships, and/or support other aspects of the college's mission. The Association for Governing Boards reports that some 28 states already have similar programs in place, most of them located in the Northeast, Midwest and South. For example, because of Kentucky's Brain for Bucks programs, the number of endowed chairs at the University of Louisville has risen from 25 in 1997 to 125 today. In many states, the funds are targeted or earmarked for certain areas of research or scholarship, consistent with the state's economic plan. Data suggests that targeted investments in certain fields of research translates into new external dollars, new jobs and other new opportunities. For example, Florida's Eminent Scholar/Major Gifts Trust Fund Program has spurred more than 1,900 private gifts. The state's \$369 million investment has generated \$738 million in private donations. Wyoming lawmakers created the Wyoming Endowment Challenge Program which in its first year private giving increased to \$18 million—almost triple of the previous three years' average. According to a recent report, over the past three years, state matching programs have provided \$363 million to higher education with \$276 million or over 75% of that coming from private sources.

Recruiting and retaining accomplished scholars is becoming increasingly difficult in the competitive hiring market. Endowed chairs or professorships provide the opportunity to recognize outstanding scholars to improve recruitment and retention. It is also a visible sign of centers of excellence, which



leads to easier recruitment of junior faculty, increased student interest and increasing external funding availability.

Today, donors are highly entrepreneurial and seek to have their contributions leverage other fund sources available to the college. However, each campus has a different ability to generate private funds, due to differences in alumni size, location, and programs. Thus, the differences in matching requirements outlined in the chart above.

We recognize there are concerns about the sustainability of economic growth in ND. This proposal uses one-time funds to leverage private dollars, to create a permanent source of funding to create continued prosperity for the citizens of ND. The State Board's first priority is to fund the budget request that is currently before Senate Appropriation, and if other funding becomes available beyond that, that this proposal, along with others should be strongly considered.

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3/3/09

Re: HB 1434

Mister Chairman and Members of the Senate Education Committee,

In North Dakota, we have two overarching challenges with respect to higher education: retention of faculty and student affordability. In many ways these two challenges are not mutually exclusive, but I introduced HB 1434 to address the retention of faculty issue.

HB 1434 is a good bill for several reasons: First: timing. A matching endowment program will provide a long-term strategy to promote affordability using private and public sources.

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Third: directed funds. The Legislature gets to say where this money goes.

Around 23 states have put into practice programs like this, and with our surplus in North Dakota we have a real opportunity to fund this initiative. Bringing private citizens, campuses and university foundations together, we can help to address the issue of retention with respect to our faculty on North Dakota campuses.

*Rep. Wahl.*

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Published February 26 2009

## NDSU foundation to reduce payout to university

NDSU Development Foundation will be transferring 13 percent less to North Dakota State University next school year, a move that could affect scholarships and endowed faculty.

By: Tu-Uyen Tran, Grand Forks Herald

NDSU Development Foundation will be transferring 13 percent less to North Dakota State University next school year, a move that could affect scholarships and endowed faculty.

The downturn in the stock market and the national economic crisis overall had taken a toll on the foundation's investments.

Jim Miller, the foundation's executive director, said he spoke with university deans Thursday and, though they said they were disappointed, they understood why. The foundation had told them to expect less funding, he said, and some were relieved to learn that funding wouldn't be as bad as they feared.

This year, NDSU is getting \$2.9 million from the foundation. But next year, it will get \$2.5 million.

That likely will mean fewer scholarships available, Miller said. The foundation offers scholarships on a year-by-year basis and has not promised a full ride for any student.

How endowed faculty — professors whose salaries are supplemented by the foundation — will be affected is yet to be determined.

Miller said the foundation is having frank discussions with NDSU about this.

The funding change came after the NDSU Development Foundation decided to reduce the payout rate from its endowment, which lost 29 percent of its value over the past 12 months, Miller said. Most of the losses came in the last quarter of 2008.

The payout rate for next year will be 3.1 percent compared with 4 percent the past several years.

Miller said the payout is based in part on the return on investment and in part on inflation, which has been virtually at a standstill nationwide.

The UND Foundation, which also has seen the value of its endowment drop 29 percent in 12 months, has not decided on next year's payout rate. It now pays 4 percent.

For a comparison, the S&P 500 lost 40 percent of its value over the past 12 months.

Any change in the payout rate at UND, though might not be as steep as at the NDSU Development Foundation. The UND Foundation's payout is based on a five-year rolling average, which prevents spikes from year to year.

NDSU Development Foundation has only recently adopted the five-year rolling average method for use next year.

There's a great deal of uncertainty about the year after next.

Miller said foundation payouts are based on the previous year's financial performance.

Reach Tran at (701) 780-1248; (800) 477-6572, ext. 248; or send e-mail to [ttran@gfherald.com](mailto:ttran@gfherald.com).

Tags: local news, higher education, higher education funding, north dakota, north dakota state university, ndsu,



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# OUR OPINION: Endowment could be UND's G.I. Bill

Published November 14 2008

State lawmakers from Grand Forks fulfilled a campaign promise this week by proposing a two-year tuition freeze.

That's good news, and it would be a tremendous help to North Dakota students in the short term.

Now, lawmakers also should follow up on another idea from the District 42 campaign trail: a university system endowment.

That's the way to help students, their families and the universities alike over the long term and beyond.

"What big ideas are we going to bring?" asked State Rep. Stacey Dahl, R-Grand Forks, in her interview with the Herald in October. "How can we take some principles from the Democratic Party and some from the Republican Party and bring those together?"

"One way is to establish an endowment-type fund. We're going to ask for \$50 million in one-time spending from the state. Essentially, what we would then do is partner with the university system and the alumni associations to leverage that money with private donations.

"So, we're looking at a fund of potentially \$100 million to \$150 million to start putting to work. We suggest that that be put toward student scholarships as well as faculty salaries."

It would be a great start on a program that could revolutionize higher education in the state.

Georgia started the trend in 1993. Its HOPE Scholarship program, paid for by the state lottery, gives Georgia high-school students who graduate with a "B" average a full-tuition scholarship to any public university in the state.

The model was the G.I. Bill, said then-Gov. Zell Miller. Like the G.I. Bill, "you gave something, you got something," Miller said at the time. "That is the promise of HOPE."

As of 2006, about 14 other states had similar state-funded scholarship programs. A newcomer is Wyoming: "Here's a math question you won't find on the ACT," says the Web site of Wyoming's Hathaway Scholarship Program.

"When does  $GPA + ACT \times (307) = \$\$?$ "

The answer is when a Wyoming student qualifies for a Hathaway scholarship, the Web site continues. "In the state of Wyoming, when you have the right GPA and ACT score and go to college in the 307 area code, you can receive up to \$1,600 per semester from a Hathaway Merit Scholarship."

Wyoming pays for the scholarships using interest from a \$400 million oil-tax trust fund set up for the purpose. So, a \$100 million North Dakota endowment probably couldn't be very generous, at least at first.

But it would be a great start. And it would fulfill one of the key requirements for setting up successful programs of this sort: it would be a permanent and stable source of revenue, one that wouldn't have to rely on legislative ups and downs.

The nation's top private universities, including Harvard, Yale and Stanford, now let students whose families earn less than about \$60,000 attend at no or very low cost. Several dozen other colleges have taken big steps in that direction, promising that their students will graduate debt-free.

In North Dakota, in contrast, some 75 percent of college students graduate in debt, and their average debt load is more than \$21,000, Sen.-elect Mac Schneider, D-Grand Forks, points out.

A university system endowment could start to bring those numbers down.

— Tom Dennis for the Herald

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*Same given on 3/31/09 to state educ*

## North Dakota University System – Engrossed HB1434 Testimony To Senate Appropriations, 3/16/09, Laura Glatt

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The House reduced the appropriation in the bill from \$10 million to \$500,000. Additional funding would be appreciated so that once distributed across the NDUS on the basis of FTE students, there would be adequate funds at any of the campuses to create an endowed chair position.

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