

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2343

2001 SENATE EDUCATION

SB 2343

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2343

Senate Education Committee

Conference Committee

Hearing Date 01-31-01

Tape Number	Side A	Side B	Meter #
1	x		36.8 - end
Committee Clerk Signature <i>Andrea Johnson</i>			

Minutes: CHAIRMAN FREBORG called the hearing on SB 2343 relating to the waiver of tuition for university system employees and their dependents.

**Testimony in support of SB 2343:**

SENATOR CHRISTENSON, District 18, testified as prime sponsor of the bill. She is aware of the complication of legislation and the ramifications that come when you think a bill is simple, straightforward and is going to be helpful and it turns out to be disastrous. The fiscal note on this bill is \$5 million. We have a university system that is constantly addressing the issue of low wages and under funding of programs. She felt this bill would address the issue of recruitment and retention. This would be a perk to recruit and retain educators and their families. This is a broad based bill. Unlimited credits can be waived. (see attached survey sheets). SENATOR KELSH asked if there are areas at the university level where it is difficult to find instructors. SENATOR FLAKOLL stated we need to define an employee. SENATOR CHRISTENSON agreed this is an issue that needs work. She looked at this issue as relating to full-time

employees only. SENATOR O'CONNELL wondered if a student (employee, spouse, or child) could attend any school in the system under the waiver system. SENATOR CHRISTENSON feels there would be issues to deal with and a transfer situation from college to college could be difficult. SENATOR FLAKOLL stated that later on waivers may be applied to those wanting a graduate degree, medical degree, or law degree. Again, SENATOR CHRISTENSON looked at this for undergraduates.

NANCY SAND, NDEA, spoke in support of the bill. She sees this as a possible recruiting tool.

**Testimony in opposition to SB 2343:**

LARRY ISAAK, Chancellor of the University System, feels the intention of the bill is good. After visiting with Senator Christenson, he and staff have a better understanding of what the intent of the bill is. His concern is with the impact of the bill on revenues. Also, the board is not fond of legislatively mandated tuition waivers unless funded by another source. The board has considered this issue in the past. His preference would be to bring a proposal forward from the employees and continue to pursue this issue internally. There are many things to be factored in when considering waivers.

There was no further testimony.

**The hearing was closed on SB 2343.**

**SENATOR COOK moved a DO NOT PASS. Seconded by SENATOR WANZEK.**

**SENATOR O'CONNELL stated he is supporting the concept of the bill.**

**Roll Call Vote: 4 YES. 3 NO. 0 Absent. Motion Carried.**

**Carrier: SENATOR FREBORG**

**FISCAL NOTE**  
 Requested by Legislative Council  
 01/24/2001

Bill/Resolution No.: SB 2343

Amendment to:

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>	\$0	\$0	\$0	(\$5,000,000)	\$0	(\$5,250,000)
<b>Expenditures</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>	\$0	\$0	\$5,000,000	\$0	\$5,250,000	\$0

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

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

It is estimated that a 100% tuition waiver for undergraduate courses taken by employees and the spouse and/or dependent of an NDUS employee will result in an estimated biennial revenue loss of \$5,000,000 in tuition income. This assumes roughly 900 students per year would receive a waiver. The loss of revenue would need to be offset with an additional state general fund appropriation.

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

<b>Name:</b>	Laura Glatt	<b>Agency:</b>	North Dakota University System
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Phone Number: 328-4116

Date Prepared: 01/30/2001

Date: 1-31-01  
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2343

Senate Education Committee

- Subcommittee on \_\_\_\_\_  
or  
 Conference Committee

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

Action Taken DNP

Motion Made By Sen. Cook Seconded By Sen. Wanzek

Senators	Yes	No	Senators	Yes	No
Senator Freborg - Chairman	✓		Senator Christenson		✓
Senator Flakoll - Vice Chairman	✓		Senator Kelsh		✓
Senator Cook	✓		Senator O'Connell		✓
Senator Wanzek	✓				

Total (Yes) 4 No 3

Absent 0

Floor Assignment Sen. Freborg

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

**REPORT OF STANDING COMMITTEE (410)**  
January 31, 2001 12:35 p.m.

Module No: SR-17-1992  
Carrier: Freborg  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2343: Education Committee (Sen. Freborg, Chairman) recommends DO NOT PASS (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2343 was placed on the Eleventh order on the calendar.**



2001 TESTIMONY

SB 2243



## TUITION WAIVER SURVEY

2,269 surveys sent out

969 surveys returned:

- 648 - Full-time Staff
- 41 - Part-time Staff
- 253 - Full-time Faculty
- 21 - Part-time Faculty

16 responded that spouse is currently pursuing a bachelor's degree. 79 said spouse would pursue degree if waiver was offered.

Employees with children currently attending college:

- 187 - Attending UND
- 169 - Not attending UND

Would those not attending UND come if tuition waiver available?

- 95 - Yes
- 53 - No
- 21 - Not sure

Employees with non-college age children:

- 717 - Plan to pursue a bachelor's degree
- 42 - Do not plan to pursue bachelor's degree
- 41 - Not sure

Of those planning on pursuing degree, do they plan on attending UND?

- 212 - Yes
- 224 - No
- 361 - Not sure

Of those unsure or not planning on attending UND, would they attend if waiver were available?

- 509 - Yes
- 42 - No
- 38 - Unsure

# stAff SENATE

UNIVERSITY OF NORTH DAKOTA

Listed below are survey results which indicate the number of children of UND employees who are currently not attending college summarized by age, approximate year of college admission, those who would probably attend UND without a waiver, and those who would be more likely to attend if a tuition waiver was available:

Age	Yr of Admision	Plan to attend UND	Would with Waiver	Total
18-25	2000	35 (.28)	92 (.72)	127
17	2001	23 (.26)	66 (.74)	89
16	2002	25 (.31)	56 (.69)	81
15	2003	25 (.32)	54 (.68)	79
14	2004	17 (.27)	47 (.73)	64
13	2005	26 (.29)	65 (.71)	91
12	2006	23 (.32)	49 (.68)	72
11	2007	16 (.32)	34 (.68)	50
10	2008	22 (.32)	46 (.68)	68
<b>Total</b>		<b>212 (.29)</b>	<b>509 (.71)</b>	<b>721</b>

During 1999-2000 there were 187 children of employees attending UND. If a waiver had been available 95 more would have attended to bring the total to 282. Total enrollment each year was based on the assumption that 25% of the students would graduate each year.

<u>Year</u>	<u>Number of Students</u>	<u>Est. Cost of Waiver</u>
2000-01	339 X \$2956 (tuition for 1 year) (212 [75% of 282] + 127)	\$1,002,084
2001-02	357 (141 [50% of 282] + 127+89)	\$1,055,292
2002-03	368 (71 [25% of 282] + 127+89+81)	\$1,087,808
2003-04	376 (127+89+81+79)	\$1,111,456
2004-05	313 (89+81+79+64)	\$ 925,228
2005-06	315 (81+79+64+91)	\$ 931,140
2006-07	306 (79+64+91+72)	\$ 904,536
2007-08	277 (64+91+72+50)	\$ 818,812
2008-09	281 (91+72+50+68)	\$ 830,636