

**MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE**

Room 210 East Senate Building, State Capitol Complex
October 20, 2016

Members Present: Sen. Don L. Ipson, Co-Chair
Rep. Jon E. Stanard, House Vice Chair
Sen. Jim Dabakis
Sen. Ann Millner
Sen. Howard A. Stephenson
Sen. Evan J. Vickers
Rep. Kim Coleman
Rep. Fred C. Cox
Rep. Jack R. Draxler
Rep. Daniel McCay
Rep. Carol Spackman Moss
Rep. Derrin Owens
Rep. Mark A. Wheatley

Members Excused: Rep. Keith Grover, Co-Chair

Members Absent: Rep. Kay L. McIff
Sen. Jerry W. Stevenson

Staff Present: Mr. Spencer Pratt, Fiscal Manager
Ms. Jill Curry, Fiscal Analyst
Ms. Lorna Wells, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order

Vice-Chair Stanard called the meeting to order at 9:13 a.m. He welcomed Sen. Ipson, who is the Senate Co-Chair for this meeting, and Regent France Davis.

2. Approval of Minutes

MOTION: Sen Vickers moved to approve the minutes of these 2016 meetings: February 2, February 4, February 8, February 10, February 12 and August 2. The motion passed unanimously with Sen. Stephenson and Rep. McCay absent for the vote.

3. Higher Education Capital Development Funding Proposal S.B. 188

Co-Chair Ipson explained [SB 188 Capital Development Funding Proposal](#) from the 2016 General Session and how it would change current procedures. He explained that the current bill is the fourth substitute.

Mr. David A. Buhler, Commissioner of Higher Education Commission discussed the USHE perspective of this proposal. He explained which portions USHE is in favor of and mentioned some concerns regarding other parts of the proposal.

Rep. Cox asked specific questions about the earmarks. Co-Chair Ipson tried to answer those questions. Sen. Dabakis expressed concern that the bill takes authority away from the Legislature. He asked for clarification about that. Co-Chair Ipson mentioned that was an excellent question and should be discussed in more detail. Comm. Buhler addressed some of these concerns and stated that this would take part of the political nature away from the process. Vice Chair Stanard mentioned that the current procedure for buildings isn't ideal. He asked for clarification about the changes between various iterations of the bill. Sen. Vickers stated that this bill would de-politicize the process. He discussed the fact that currently more new appropriations approved for Higher Education go to buildings. This bill may provide a path to allow institutions to receive additional funding. Vice Chair Stanard also addressed this issue.

Sen. Millner mentioned that as a former university president the system did foster requesting large amounts of funding for state-of-the-art buildings. By the time a requested building made it top of the list, institutions wanted to ensure adequate funding to keep up with the times. She stated that if institutions had specific funding that they could plan on each year, they would be able to plan smaller, less expensive projects which would allow institutions to invest capital dollars more efficiently.

4. Free Speech and Due Process Issues

Rep. Coleman distributed handouts regarding each piece of legislation. She stated that three bills involving fundamental campus and due process rights from last session have been re-filed for the 2017 session. She discussed news events entitled "Campus Crazy" involving these issues. She also explained issues brought up through "Dear Colleague letters". She stated that [HB 262 Campus Anti-Harassment Act](#) enacts requirements related to how an institution of higher education addresses discriminatory harassment; prohibits an institution of higher education from punishing certain acts of speech that do not constitute discriminatory harassment; creates causes of action related to discriminatory harassment at an institution of higher education; and enacts other provisions related to discriminatory harassment at an institution.

Rep. Coleman discussed the [HB 365 Campus Free Expression Act](#). She mentioned the importance of free speech in this country and that there are very few limits on freedom of speech. However, this becomes difficult for institutions when that free speech involves inappropriate behavior. The bill states that the entire campus is a free speech zone, but institutions could place reasonable limitations to the time, place and manner so that the event does not disrupt other students' rights to obtain their education and administration to perform necessary functions.

Rep. Coleman discussed [HB 337 Student Right to Active Counsel](#). She discussed the importance of due process for both the accused and the accuser. In many cases the rights of students have been denied. This bill would require institutions of higher education to allow certain parties to have legal representation at a disciplinary proceedings.

Rep. Cox asked if the Legislature sets these items in statute, then the state becomes the “bad guys” instead of the colleges and universities. He asked if this legislation will only apply to USHE institutions. Rep. Coleman stated that was correct.

Sen. Vickers asked if any of these issues are really a problem in Utah and what the impetus for the legislation was. Rep. Coleman said that due process is really a problem, there are no checks and balances. Rep. Coleman said that the impetus is from the some advocacy groups as well as news agencies. Vice Chair Stanard asked if the lack of due process is for the victim or the accused. Rep. Coleman said that both sides should have the right to have counsel. Vice-Chair Stanard asked if there is anything that stops an individual in going to local law enforcement. Rep. Coleman indicated that the Office of Civil Rights tends to give the student accuser the right to choose campus proceedings or law enforcement.

Comm. Buhler responded to these issues. He wanted to make it clear that USHE presidents care very deeply for the well-being of each of their students. He didn’t feel that the bill on free speech was totally necessary; but they could probably be supportive of it. He asked Rep. Coleman to continue to work with them on the anti-harassment bill so that they could either be supportive or neutral. He expressed the most concern regarding the “right of active counsel” bill. Last year the Board of Regents adopted a comprehensive policy regarding this which does allow for active counsel. He feels that USHE has now addressed this issue.

Sen. Millner asked if this legislation would apply to UCAT and USHE, and how private institutions are addressing these concerns. Rep. Coleman indicated that the bill would apply to USHE and UCAT institutions. She stated that there are conflicts regarding these issues at private institutions because students at these institutions are eligible for PELL grants and other federal aid and federally-funded programs.

Rep. Wheatley asked who adjudicates the proceedings. Rep. Coleman answered that it is slightly different on each campus. Mr. Geoffrey Landward, Assistant Commissioner for Policy and Planning indicated that there is a USHE policy which institutions must follow, which includes forming an ad hoc committee.

Rep. Coleman thanked the Board of Regents for developing a policy regarding these fundamental rights. She is willing to work with USHE and UCAT on this legislation.

5. Strategic Workforce Investments Proposals

Sen Millner discussed the progress of the work for [SB 103](#). She stated that they formed a sub group through the Governor’s Office of Economic Development. For this fiscal year, they are recommending five proposals to receive funding. It is expected that from this point forward applications will go through a normal process.

Mr. Ben Hart, Managing Director, Business Services and Ms. Kimberlee Carlile, Marketing and Communications specialist gave a [SWI Presentation](#). They discussed the importance of economic development being tied to higher education and of fostering good solutions between industry and education. Ms. Carlile thanked committee members who were part of the working

group. They were looking for specific strategic workforce initiatives with stackable credentials. They briefly discussed the five proposals that were selected by the working group.

- 1) Bridgerland Applied Technology College in conjunction with USU building stackable credentials in instructional technology, learning sciences and IT STEM academy.
- 2) DATC in conjunction with the Davis School District and Weber State, Utah State, and LDS Business College and Strategic Workforce On-Ramps for a Utah aerospace pathways program towards aerospace manufacturing and engineering. They discussed the tremendous partnership with industry.
- 3) TECH stacks partnership between DXATC and DSU in Computer Programming. Students could complete a certificate, then an associate degree and bachelor's degree.
- 4) Snow College at Richfield will partner with Sevier School District to provide a pathway toward composite manufacturing and an AAS in Manufacturing Technology.
- 5) Weber State University has developed a partnership with Bridgerland, OWATC and DATC for a controls technology pathway program. Students would start their certification in high school, move to an ATC, then obtain an Associate Degree in Controls Technology at WSU or continue for a Bachelor's Degree in Electronics Engineering Technology.

Vice Chair Stanard asked why the pathways are through an A.A.S. Degree rather than an A.S. Degree. Sen. Millner indicated that it is critical for students to complete the skills required in these programs which means they have less time for more general education courses in the first two years. She said that students could choose to complete an A.S. Degree instead. Mr. Hart indicated that this is the first year of these proposals. It may take time to solve all of the issues. He indicated that making sure students are aware of the program can make a huge difference. Sen. Millner indicated that they asked GOED to be the facilitator and that the focus of the project is on industry needs. She stated that \$1.5 million was appropriated during the last session. She explained how the appropriation would work moving forward.

Sen. Stephenson expressed concern about the summary presented to the committee. He would like to see the stackable credentials have some uniformity statewide. Sen. Millner explained that the legislation focused on the regional level. She felt that this was a great first step in the process. There would be some ability to move to other institutions because of the statewide articulation agreements. She stated that the group started with 11 proposals and narrowed it down to five. Sen. Stephenson acknowledged the amazing vision and great work that Sen. Millner had shown with this legislation. Sen. Millner said that now that the process is in place, institutions should bring proposals forward prior to the Legislative Session and the committee will be able to review them.

MOTION: Sen. Miller moved that the committee recommend to the Executive Appropriations Committee funding these five proposals. The motion passed unanimously with Rep. McCay absent for the vote.

6. Performance Based Funding Update

Comm. Buhler presented an [Update on Performance Based Funding](#) for each institution. He discussed the formulas used for measuring the outcomes shown and discussed the metrics involved. Sen. Dabakis felt that the most important programs were PACE and DreamWeber which allow low-income students to go to college for free. He asked if it would be possible to find enough funding to expand these programs to other USHE institutions. Sen. Millner discussed how DreamWeber was started and how it has progressed. Comm. Buhler indicated that these are both very innovative programs.

7. Higher Education Portion of Building Block/Fiscal Note Follow-up Report

Mr. Pratt explained that the [Higher Education Portion of Building Block/Fiscal Note Follow-up Report](#) was presented to the EAC in July. The EAC asked the analysts to report to this committee. Mr. Pratt explained [Guidelines for Scoring Follow-ups](#).

Ms. Curry discussed “Scholarships for Students with Intellectual Disabilities” and Campus Equity funding. She stated that they received green in all categories.

Mr. Pratt discussed the indicators for Research and Graduate Programs, Performance Based Funding, and the Utah Wellness Program. He indicated that the Wellness Program received a “red” in performance because the only information submitted was that “100 percent of student athletes have benefitted from this appropriation.” He said that USU has responded to his inquiries, so with the additional information, he would change this to a green indicator.

Sen. Dabakis stated that the \$1.5 million was appropriated at the last minute and did not have time for a proper debate. He would like to have more information regarding the \$67.5 thousand spent on nutrition supplements. Mr. Pratt indicated that he would give more details regarding this at the next meeting.

Mr. Pratt continued discussing the indicators for Engineering Initiative, Demographic Decision Support, New O & M Program with E & G Funding, STEM Technology Pipeline – DSU, STEM Technology Pipeline-SUU, SB 175 School Safety and Crisis Line, and SB 196 Math Competency Initiative.

Rep. Coleman asked for a quantitative analysis that compares the pipeline for students in the UCAT SLC area with students in the other UCAT areas. She would like to know if these students have the same opportunities, same access, and same articulation opportunities to other UCAT and USHE institutions. Mr. Pratt and Ms. Curry will try to gather this information.

Sen. Stephenson appreciated the thorough evaluation of these fiscal note building blocks. He wanted to know what would be the next step especially when an indicator is yellow.

Mr. Pratt answered that just having a report is valuable. He stated that sometimes a “yellow” was given in performance because the performance could not be measured in the short-time period. It may take a couple of years to determine if the performance achieved the desired

results. He stated that having the institutions and agencies know that they will have to report back helps them keep track of what has been funded, and where that funding goes.

Vice-Chair Stanard hoped that this information will help the committee look at the base-funding level and better track where adjustments are needed. Rep. Owens mentioned that it is important to look at rural communities and make sure students are in the higher education pipeline.

Sen. Dabakis thanked Mr. Pratt and Ms. Curry for their work, and said that the information was very valuable.

Mr. Pratt indicated that if committee members wanted to see a similar report from other appropriation committees, they could look at the July EAC meeting materials web page. [Executive Appropriations Committee Web Page](#)

8. Preliminary review of FY 2016 USHE and UCAT expenditures,

Mr. Pratt explained that in preparation for the 2017 General Session he prepared a [FY 2016 Budget –Projected \(Sept. 2015\) Compared to FY 2016 Actuals](#). This data gives the actual closeout amounts for FY 2016.

9. Follow-up from August 2, 2016 Interim meeting:

a. Data regarding resident and non-resident tuition. Mr. Pratt discussed the request from the August meeting regarding [USHE Tuition Resident - NonResident](#). He explained that this document is based on 2017 budget, and shows the resident student tuition and nonresident student tuition for each budget line item.

b. Alternatives to get Higher Education funding back to a level of 14% of total state funding Mr. Pratt indicated that a request was made for information regarding [Higher Education Funding as a Percentage of State Funding](#) at the August meeting. Higher Education is currently at 11 percent of total state funds, but at 15 percent when looking at General Funds and Education Funds. The document also shows the impact of increases in income tax rates and sales tax rates.

Vice Chair Stanard wasn't overly concerned about the percent of total funding. He is more concerned about the recent tuition increases so that instead of funding being at 50/50 between tuition and state funds, it is now at 70/30, with 70 percent of funding coming from tuition.

10. Other Business/Adjourn

MOTION: Rep. Owens moved to adjourn. The motion passed unanimously.

Vice-Chair Stanard adjourned the meeting at 12:12 p.m.