

Representative Mike Lefor

HB 1199 Testimony

Good morning chair Vigesaa, vice chair Kempenich, and members of the House appropriations committee, for the record my name is Mike Lefor and I represent District 37 – Dickinson in the House. I bring HB 1199 to you for your consideration.

During the special session of the legislative assembly, approximately \$88 million was allocated for the construction of career and tech academies in the state. These dollars were allocated through the federal government's American Rescue Plan or ARPA for short. Since then, only \$20 million of those dollars for authorized for this purpose.

As many as 13 projects were affected by this process and a partial release of funds, has stopped the progress of many of these projects. Additionally, with inflation and supply chain issues, the costs have risen since this was approved by the legislative assembly.

HB 1199 would move those dollars to these projects faster than it is expected to be released by the federal government and we would not lose another construction season. The remaining balance of this previously approved plan would be \$68,276,228 and would be moved through a line of credit at the Bank of North Dakota at prevailing interest rates.

Finally, the sum of up to \$2,000,000 in order pay interest to the bank. It is hoped that those dollars will become available within several months and that amount will not become necessary. The bill also provides that if the funds are not sufficient to repay the line of credit, the department of career and technical education shall request a deficiency appropriation from the 69th legislative assembly.

There is an emergency clause attached to the bill. Representative Swiontek has provided a friendly amendment to provide flexibility in entities authorized to receive the funds, which would allow projects to receive the funds through a foundation. I support the amendment. That completes my testimony and I ask for a do pass recommendation from the committee. Thank you.

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Title.

Prepared by the Legislative Council staff for
Representative Swiontek
January 13, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1199

Page 1, line 21, after the period insert "The department may award funding provided in this section to foundations that are working with school districts on career academy projects approved by the state board for career and technical education."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT

This amendment allows the Department of Career and Technical Education to award funding for a career academy project to foundations working with school districts on the project.