



**House Industry, Business and Labor
SB2122**

March 5, 2023

Chairman Louser and members of the House Industry, Business, and Labor Committee, for the record, my name is Wayde Sick, State Director for the Department of Career and Technical Education. I am here to testify in support for SB2122.

Currently, the state invests in workforce training centers known as TrainND, in each of the four regions of the state. This training is housed at Bismarck State College, North Dakota State College of Science, Lake Region State College, and Williston State College. The funding for TrainND is located within the Department of Career and Technical Education budget. TrainND was created from a workforce taskforce, led by the Greater North Dakota Chamber, in 1999. The taskforce studied other states' workforce systems and adopted the system that exists today.

The formula for funding TrainND is a formula that has been existence for many years. The funding is distributed to the four regions, based on the covered employment of each region. Every biennium, the Department of Career and Technical Education requests from Job Service North Dakota, the covered employment for each region. Covered employment is calculated by determining the number of employees that are

attached to employers within each region. For the 2021-23 biennium, the distribution of funds are as follows:

Total Allocation - 2,000,000

		1,000,000			1,000,000			Biennium
		<u>Year 1</u>			<u>Year 2</u>			<u>Total</u>
	<u>2021-23</u>	<u>Base</u>	<u>Demand</u>	<u>Total Allocation</u>	<u>Base</u>	<u>Demand</u>	<u>Total Allocation</u>	
NW	19.364%	125,000	96,820	221,820	125,000	96,820	221,820	443,641
NE	15.428%	125,000	77,140	202,140	125,000	77,140	202,140	404,281
SE	39.461%	125,000	197,305	322,305	125,000	197,305	322,305	644,611
SW	25.747%	125,000	128,734	253,734	125,000	128,734	253,734	507,468
								<u>2,000,000</u>

SB2122 would require an interim study of the funding model of the TrainND regions, statewide integration and coordination and the possibility of awarding credit for training provided by workforce training. As I mentioned, the distribution formula has been in use for several years and I believe it is time to review this model, to determine if a more equitable and impactful model is possible.

This concludes my testimony and I have happy to stand for any questions you may have.