

Joint Appropriations Committee
October 23, 2023
HB1543

For the record, my name is Wayde Sick, I serve as the State Director for the Department of Career and Technical Education. I am here to provide testimony in support for HB1543, specifically Subsection 2, which sets aside \$26,500,000 to the Department of Career and Technical Education for the purpose of defraying inflationary costs of existing projects approved under the statewide area career center initiative grant program.

During the 68th Regular Session, the State Legislature approved the \$26.5 million to address the inflation costs of these projects. This funding was to be distributed proportionally based on the approved grant applications, which were approved in March 2022. This calculated to approximately thirty percent increase to each grant award.

The reason for the request for the inflationary funds was due to the delay in receiving the funds from the US Treasury. The grant applications were submitted in December 2021 and reviewed and approved in March 2021. We then had to wait for access for the funds, while the cost of materials, equipment and labor rose. To attempt to accomplish what was included in the approved applications, ND CTE and the approved applicants requested the additional dollars.

Since the session adjourned, projects moved forward with construction, bidding, etc. To date, \$6,003,882 dollars have already been disbursed to two projects, specifically the Minot Area Skills Center (Minot) and the Bakken Area Skills Center (Watford City). Others are close to requesting the inflationary funds. Others that are not as far in the process but have sought out bids with the new dollar amount, as approved in SB2015. Not having access to the inflationary funds would be detrimental. Some of the funds have already been spent. Other projects are close to requesting the funds and others have gone out for bids or accepted bids with a new dollar amount.

I appreciate the support for these projects during the regular session and again ask the Legislature to support this initiative and allow our projects to complete their work.

Thank you for your time. I will stand for any questions you may have.