

March 13, 2023

Members of the North Dakota
Senate Appropriations – Human Resources Committee

RE: Support for HB1019 – Career and Technical Education

Chairman Dever and members of the Committee. Thank you for the opportunity to provide written testimony in support of HB1019. Your vote is critical to ensure adequate funding for the Department of Career and Technical Education (DCTE) to support new and growing CTE programs and expand access to CTE programs and shared high-tech labs at area career centers.

The intent of the Career Innovation Center in Cass County is to have the ability to provide students with career exploration and awareness, hands-on learning experiences, connections to post-secondary education, dual credit opportunities, College certificates and College credited degrees, prospects to obtain industry credentials, and alignment with industry in providing work-based learning opportunities. All this, in collaboration with the following schools: Fargo, West Fargo, Central Cass, Northern Cass and NDSCS. Which serves the largest population of students in North Dakota. The Career Innovation Center will position CTE to engage and retain our youth within our state's current and future workforce.

I ask for your leadership, your voice, and your advocacy to amend HB 1019 to restore the one-time ask of \$40 million for the 13 North Dakota area career center projects. The **one-time funding request** is critical to guarantee area career center projects are built with each community's vision and workforce needs in mind, and not gutted due to construction costs. The two-year delay in federal grant dollars has amplified construction costs by approximately 30-40%, in addition to inflation impact. Construction costs continue to escalate, **with total estimates now at \$56M**. This one-time investment will ensure area career centers are designed adequately and CTE programs are delivered through high-tech labs when they open their doors. This funding will also accelerate our center opening, hopefully by fall 2024.

Our project is and has been shovel ready since July of 2021. The original application by the four Cass County school districts was an additional \$10M to complete the original \$31M project (\$21M raised in private funds), with very little inflationary impact. Because of the delay in the \$10M, we were forced to look at downsizing the project to 92,000 Sq ft., in addition, we are expecting higher estimates for construction to finish the building that was designed in March 2021. Because of delays we will see as much as a 40% increase. Applying an inflation factor to those estimates brings the total project to \$39.2M, to complete the 125 Sq ft building, which was the original intent. So overall inflationary increase of \$8.2M.

Thank you for your time and service to the state of North Dakota. We would appreciate your support of moving this portion of the bill forward.



Kim Nelson
NDSCS Foundation
Executive Director