

**HB 1019**  
**Chairman Dever**  
**Senate Appropriations Committee – Human Resources Division**  
**March 15<sup>th</sup>, 2023**

Good afternoon. Chairman Dever and members of the Senate Appropriations Human Resources Division Committee, for the record, my name is Steven Holen and I am superintendent of schools for the McKenzie County Public School District #1 in Watford City and the forthcoming Bakken Area Skills Center. I am here to testify in support of HB 1019 and request consideration for expansion of financial support in specific areas within the current North Dakota Career and Technical Education Appropriations bill as outlined in HB 1019.

The need for support and expansion of career and technical education opportunities in North Dakota has been well articulated over the past several years and is clearly a focus of our state to promote current and future economic growth and opportunities for our K-12 students through CTE facilitated pathways. Workforce shortages in skilled areas is a major obstacle to overcome in continuing to grow and expand the resources available in the Bakken and Three Forks formations and the required supporting industries to maintain and expand those opportunities today and in the future. Investments in career and technical education and resources provide relatively quick returns on investment measured by growth in current and future workforce capacity through workforce ready pathways for our high school students. State investment in education and in particular, the Department of Career and Technical Education, can provide the sustainability and diversification that is critical to all areas of the state, both rural and urban. The investment in new career and technical centers in recent grant awards and fast tracking of HB 1199 aligns with the vision of investing in our future and the importance of growing our own workforce through CTE opportunities for students and enhancing our quality of life in North Dakota.

The Bakken Area Skills Center was a recipient of grant funds awarded by NDCTE for new CTE Centers through the legislative allocation and its mission is to address and increase opportunities for K-12 students, postsecondary, and adult learners through workforce related training and certifications. The BASC will include 15+ school districts, post-secondary institutions, and industry partners to address current and future workforce skills and pathways for students and general workforce needs as they quickly evolve over time. The components of HB 1019 that are critical to meeting these established goals are the new and expanding programs allocation and consideration of inflationary one-time costs/support for the new CTE Center construction projects.

The operational plans for new Centers include upstart costs and staffing requirements which are dependent on the state providing its reimbursements for such costs and allow the Centers to begin programming successfully. The expansion of programs and curriculum to all areas of the state is essential, however, requires an investment to ensure such programs can be sustained and allow for new programming and development as needed and warranted. A successful Center provides optimal flexibility to adjust to the

ever-changing workforce needs in a region and support from NDCTE to financially facilitate these new programs and costs is essential. The promoted collaborations with new CTE Centers, existing CTE/Virtual Centers, High-Tech Consortiums, and REAs are ongoing to increase efficiency and offerings for students; it is vital to have the financial support to facilitate this work and the ultimate benefit it will provide our students and communities. The ability to offer and expand new programs is important to meeting workforce readiness initiatives and will require additional funding as per provided in the current version of HB 1019. Any delays in providing trainings and certifications, at any levels, can have a significant impact on workforce readiness pursuits and ultimately the revenue generated to the state of North Dakota.

The inflationary costs associated with the new CTE Center construction projects is significant and may have an impact on the programming and volume of students to receive the workforce readiness curriculum envisioned in the regional Centers. The Bakken Area Skills Center project, for example, has experienced a budget increase of over \$3,000,000.00 to date and potentially further increases forthcoming through project completion. These inflationary factors may limit the capacity of the building and/or its offerings in requirements to stay within reasonable budgetary guidelines and the matching support of current stakeholders and partners. HB 1019 currently does not provide one-time funding to address these factors as was recommended by Director Sick for inclusion in the Governor's budget. Please consider an amendment to include at least the \$40 million initially recommended to address these factors and ensure the new CTE Centers are equipped to meet the purpose and intent of the funding provided to them by the ND Legislative Assembly.

Ongoing support for the Department of Career and Technical Education in its cost to continue as well as current staffing and availability for expansion as needed is essential. It is important to ensure financial support for NDCTE is sufficient to allow for continued growth and opportunities for students and communities through promoting student success and employability in the modern workforce.

Thank you for your support of HB 1019 and its importance to our school districts and communities impacted by career and technical education at the various levels. I would stand for any questions from the committee at this time.