

**Senate Appropriations  
HB1199**

**January 30, 2023**

Chairman Bekkedahl and members of the Senate Appropriations 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 of HB1199.

During the 2021 Special Legislative Session, the Department of Career and Technical Education was appropriated approximately \$88.3 million dollars for the construction, renovation, maintenance and equipment of Career and Technical Education Centers. The source of these funds was \$20M in America Recovery Plan Act funds and \$68.3M of Coronavirus Capital Projects Funds. The state has access to the \$20M but is still waiting for access to the Coronavirus Capital Projects Funds. The State submitted its Grant Application to the United States Treasury in December 2021, shortly after the adjournment of the special session, which was approved. The State's Grant Plan was submitted in February 2022. To date, the Coronavirus Capital Projects Funds have still not been released by the US Treasury for the CTE Capital Projects program. There have been several inquiries to the US Treasury from the ND Office of Management and Budget, Governor Burgum's Office, and our Congressional Delegation, requesting the status of the release of the funds. Recently, we have been assured the funds are coming, but due to lack of staffing, the US Treasury is encountering a backlog.

Currently, there are thirteen projects, across the state of North Dakota, involving approximately one-hundred school districts, eleven post-secondary institutions, many

workforce development partners and thousands of high school and post-secondary students and workforce training recipients waiting for the projects to move forward. I need to also mention the multiple private sector partners, that provided much of the required grant match.

HB1199 would provide the Department of Career and Technical Education loan authority, through the Bank of North Dakota to help move these approved projects forward. The grantees have been waiting patiently, unable to go out for bid, secure contractors and expand CTE programming. This loan authority will give them a level of security, knowing they can progress in their work, and hopefully, not miss yet another construction season. This delay in access to funds has also negatively impacted the success of these projects, due to increase in construction costs since applications were submitted in December 2021.

The bill also allows the Department of Career and Technical Education to grant funds to foundations that are working with school districts on these projects. Currently, NDCTE only has the authority to grant funds to a school district, on behalf of the project. This provides flexibility to grant funds to a foundation, which would benefit the Cass County CTE Center project. The Cass County project is a unique partnership between the school districts and the North Dakota State College of Science. This flexibility will help ensure success and access to high school and post-secondary students in the Cass County area.

This concludes my testimony, and I am happy to stand for any questions.