

**HB 1221**

House Education

January 20, 2025

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Chair Heinert and members of the House Education Committee. My name is Lisa Johnson and I serve as the Vice Chancellor for Academic and Student Affairs with the North Dakota University System (NDUS). I am here today on behalf of the NDUS to testify in support of HB1221.

This bill, proposed by Rep. Schreiber-Beck with support from ten additional legislators, provides an appropriation of \$24 million to the Workforce Education Innovation Program established by the 68<sup>th</sup> Legislative Assembly, NDCC reference:

**15-10-75. Workforce education innovation program - Report to legislative management.**

1. The state board of higher education may provide award funds to institutions under its control to create or enhance educational programs that address the workforce needs of North Dakota business and industry. An award made under this section may be used for curriculum development, equipment and technology purchases, facility modifications and equipment installation, hiring and training new and existing instructors, educational program promotion, and enhancement of postsecondary partnerships with primary and secondary schools.
2. The state board of higher education shall provide a biennial program report to the legislative management by September first of each even-numbered year. The report must include information by institution regarding:
  - a. The number, amount, and type of awards;
  - b. The name of each educational program created, enhanced, or promoted;
  - c. The amount and percentage of funds used for leadership and coordination costs; and
  - d. Detailed expense reports, including the type of equipment and technology purchased and the number of instructors hired or trained.

As we all know, North Dakota's economic success relies heavily on its businesses and industries, which continue to evolve and demand a highly skilled, adaptable workforce. This program is critical in ensuring that North Dakota's educational institutions remain agile and capable of meeting these workforce needs. The NDUS, through this program, supports the development of innovative, responsive educational programs that directly address the skills gaps identified by employers across the state.

One of the things that campuses have struggled with when developing new programs is the lag time in the funding formula which can be up to two years before they see any state funds through recognition of completed credit hours produced while in the program's infancy. The costs to start new programs—particularly those that require specialized equipment like machining, engine repair, welding, and nursing

simulators—can be prohibitively expensive. New programs that require significant modifications to facilities to accommodate things like air handling and high voltage electrical systems combined with the hiring of new faculty or the additional training of existing faculty can quickly exceed \$500,000—before any state funds begin to kick in.

The proposed appropriation of \$24,000,000, will enable NDUS to distribute workforce education innovation funds to our institutions to be used for the development of new curriculum, the purchase of equipment and technology, modification of facilities and equipment installation, hiring and/or training of faculty, and promotion of new programs.

This appropriation can also help support efforts to engage the 60,000 North Dakotas with some college credit and no credential with the object of acquiring a credential that meets their personal and professional goals as well as North Dakota’s needs for a highly trained workforce.

The funding for this program is an investment in North Dakota's future—a future where businesses thrive, students succeed, and the state’s workforce remains competitive. By funding this program will ensure that North Dakota's higher education institutions are equipped to provide the innovative, high-quality education that both our students and our employers need.

The NDUS fully supports a “Do Pass” recommendation on HB1221 and is committed to providing staff to support and coordinate the Workforce Innovation Program on behalf of the State Board of Higher Education. I remain available to Committee members for questions and comments.