1999 HOUSE EDUCATION

HB 1443

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1443

House Education Committee

❑ Conference Committee

Hearing Date 2-3-99

Tape Number	Side A	Side B	Meter #
Tape #2	x		0.1 to end
Tape # 2		x	0.1 to end
Tape # 3	x		0.1 to 21.4
Committee Clerk Signature	Joan Diers		

Minutes:

Chairman R. Kelsch , Vice-Chair Drovdal , Rep Brandenburg , Rep Brusegaard , Rep. Haas , Rep. Johnson , Rep. Nelson , Rep. Nottestad , Rep. L. Thoreson , Rep. Grumbo , Rep. Hanson , Rep. Lundgren , Rep. Mueller , Rep. Nowatzki , Rep. Solberg .

Chairman R. Kelsch : We will open the hearing on HB 1443 and ask the clerk to read the title. Chairman Kelsch handed the committee Rep. Dorso's testimony. (See attached testimony)

Sen. Kringstad, Dist 49, Bismarck : testified in support of this bill. This bill will change how work force training will be provided in N.D. A very wise thing.

Rep. Byerly, Dist 1, Williston : testified in support of this bill. This bill enables our businesses and our state to move into the 21st century. We have a tremendous young workforce in this state, as long as we get these young people up to the standards of the 21st century, while they are on the job.

Rep. Koppang, Dist 25 : testified in support of this bill. For the first time, we have a coordinated team effort. Business and industry, labor, legislative leaders, Greater North Dakota Association, and the higher education institutions of N.D. are all part of the team. This also represents every corner of the state, so all business big and small will be able to access world class training people for their industries in their area. There is no reason that N.D. can't be a leader in the development of a work force that is going to strengthen our present business, but also entice new and expanding business to N.D.

Sen. Traynor, Dist 15, Devils Lake : testified in support. It is a very noble goal to be considered world class in this area. On line 10, is it necessary to call them Jr. Colleges?

Chairman R. Kelsch : There have been amendments drafted and one of the first is to remove the word "junior".

Roger Reierson, Chairman of Task Force and Training, Fargo,N.D. : testified in support. (See attached) (also blue handout) (also overview attached)

Bill Goetz, Chief of Staff, Governors Office : testified in support of this bill. Every legislative session has it's agenda. This could well be the session about what we are doing. This bill could represent something great coming out of this session. We have had to speak to our communities about transition and cultural change. We no longer can sit at the supper table and discuss with our children, about how our kids are going to take over the farm or business. Those days are over with. Jobs training and job development are now appropriate. The success of this lies in the arena of education. We need to increase the productivity of our labor force. Jobs training needs to be a part of this. There is an education process that is necessary for the business community to buy into the fact that education needs to be advanced in N.D.

Mel Olson, State Board of Technical/Vocational Education, Director : testified in support of bill. I am very excited about this plan. Workforce training is critical to the economic future of N.D. The last two times we have gone to the citizens of N.D, and asked them about education and training; they have clearly called for additional access and more opportunities in the vocational and technical workforce training areas.

Larry Isaak, Chancellor of N.D. University System : testified in support of bill. (See attached cover sheet)

Dr. Donna Thigpen, Pres. Bismarck State College : testified in support. (See attached)

Sharon Etemad, CEO UND-Lake Region : testified in support of bill with amendments. This represents some exciting things to our vocational/technical education of our two year colleges. We in N.D. are still loosing 1200 students a year to Minnesota. Once the students go to MN, they seem to stay there and not come back to N.D. We saw we need a coherence at the state level. We needed a way within the state system to have a voice, and we worked with the chancellor to put in place a director of the two year colleges. We have that now. We formed a council of technical education that comes together 6-7 times per year and talk about what programs are need in the state. We can develop programs in expectation of what will be needed. We don't want duplications all over. (See written testimony)

Buzz Syria, Minot : testified in support of bill. (See attached)

Russ Staiger, Bismarck-Mandan Development Assoc. : testified in support. (See attached)

David Kemnitz, N.D. AFL-CIO : I am president of the labor union and we are in favor of bill. We want to continue to be a part of the governing body that is responsible for the direction of workforce training in N.D. We feel that state law should provide more of the establishment of

advisory committee in sharing the voice and participation from all who have a stake in N.D. political economy. We have and will continue to seek a place in the policy making fabric that decides types of training, wage level targets, efficiency and performance through follow up of our delivery system. We are happy to be a part of this proactive approach.

Garvin Stevens, UND Williston Dean : testified in support. (See attached)

David Gipp, Pres. United Tribes Technical College, Bismarck : testified in support. We have been there for 30 years. (See attached)

John MacMartin, Chair. Minot Chamber of Commerce : rise in support of bill. (See attached)

Joe Belfort, Devils Lake : stood up in support of the bill.

Randy Binegar: Amoco Refinery of Mandan. stood in support of HB 1443. Read letter from past refinement manager.

Phyllis Howard: Executive Director of the North Dakota Association of Tribal Colleges. (see written attached).

Mark Frauseneck: Official of the City of Wahpeton (see written attached:)

Richard LaFromboise:Tribal Chairman of the Turtle Mountain Band of Chippawa Indians. Talked about working together and being involved. One half of the Indian citizens in the state of North Dakota are in his district. Presented information on how they could be of help with this bill. They would like to be involved.

End tape #2 side b

Begin tape #3 side A

La Fromboise continues with information.

Rep Nelson: A question for Roger Rierson, why were the tribes excluded?

Reierson: The tribes were not excluded, if you look at the plan you will see that we are looking at utilizing some of the tribal colleges as a delivery.

Rep Nelson: I understand that part of the placement, but as far as developing the training, it does appear the area of growth in our labor force has been excluded from participating in what type of training they can provide.

Reierson: I agree, our intent to once these defined regions are set up and once the need is assessed, they would play a major role.

Rep Haas: Was there any representation on the task force of the tribal councils?

Reierson: Not on the task force.

Rep Nottestad: Was there any communication made to the groups that were here, telling what was being done.

Sharon Etemad We were remiss, we did spend considerable time talking with some of these groups, we wanted to be cooperative and not duplicate the job they were doing They thought the main thing was to define who was going to do what?

Rep Brandenburg: Some of the tribes have been left out, and I suggest that you work with these people to work it out.

Reierson: I agree.

Sherlia Trottier: Vocational Ed Director of the Turtle Lake Community College. We would like to be listed as a community college.

Tom Disselhott: attorney representing the United Tribes Technical College. We are working on some amendments to be given to the committee.

Chairman R Kelsch: DO the tribal college report to the State Board of Higher Education?

Disselhott: No, they do not.

Chairman Kelsch: Are there other sections of code, where we do something similar to this for the tribal colleges.

Disselhott: Not that I am aware of. Tribal Colleges are Federal Land Grant Colleges.

Vice-Chair Drovdal: We heard testimony that the two year colleges plan to work in conjunction with the other colleges, and they are not mentioned, you don't feel comfortable that they will include the tribal colleges?

Disselhott: Those colleges are part of the Board of Higher Education the tribal colleges are not.

Gipp: We could have worked it we were part of the Task Force.

Rep Grumbo: Is there any mission change in regards to the technology center in Fargo.

Reieger: No.

Rep Haas: Would you explain the revolving fund.

Reieger: As we start putting training together, the start up costs to put the program together, anyone who is delivering the training can borrow a certain dollar amount and the pay back would then be the fee paid for the training.

Rep Haas: Would the business pay the full amount?

Reieger: Yes.

Rep Haas: The regional funds you indicated, are these made through cooperate contributions?

Reieger: Yes, local investment from private industry.

Rep Haas: In your studies of other states, how many institutions per 100,000 people or per million people, do they have to deliver similar programs?

Reieger: In one of the handouts you will have that information.

Rep Lundgren: Two of the tribal leaders said they have successful workforce training programs, is there anything to prevent the community colleges from working together to develop this without this legislation.

Reieger: Yes, there are a number of things in the statute that set up different divisions, that make them more flexible, more accountable, and allows them flexibility to set up programs.

Rep Nowatzki: Does the revolving loan fund, does this bill establish four revolving loan funds for the regions that would have continuing appropriations?

Reieger: Original intent of the bill was that the Bank of North Dakota would be the institution of the loan, the Board of Higher Education would have the authority to authorize that.

Rep Nowatzki: Rather than creating 5 regions it might be wise to place tribal representation on the advisory board.

Reieger: Yes.

Chairman Kelsch: Hearing no other questions, we will close the hearing on HB 1443.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1443-2-15-99

House Education Committee

❑ Conference Committee

Hearing Date 2-3-99

Tape Number	Side A	Side B	Meter #
Tape # 3		x	10.1 to 25.8
Committee Clerk Signature	Joan Dietz		

Minutes:

Chairman R Kelsch, Vice Chair Drovdal, Rep Brandenburg, Rep Brusegaard, Rep Haas, Rep Johnson, Rep Nelson, Rep Nottestad, Rep L Thoreson, Rep Grumbo, Rep Hanson, Rep Lundgren, Rep Mueller, Rep Nowatzki, Rep Solberg.

Chairman R Kelsch: We will take up HB 1443, what are the wishes of the committee?

These amendments were proposed for tribes/tribal colleges.

Rep Nowatzki: I move the amendments.

Rep Hanson: Second.

Chair R Kelsch: Voice vote on the amendments. motion carried.

Chairman R Kelsch: The other amendments.

Vice Chair Drovdal: I move the amendments

Rep Haas : Second.

Chairman R Kelsch: Voice vote on these amendments. Motion carried.

VIce Chair Drovdal: I move a DO PASS as amended and re-referred to the Appropriations

Committee.

Rep Thoreson: Second.

Chairman R Kelsch: We have a DO PASS as amended and ask the clerk to read the roll. The DO

Pass motion passes 13 YES 2 NO 0 Absent Floor assignment Chairman R Kelsch.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: Reeng. HB 1443 - Conf. Co

Requested by Legislative Council Date of Request: 4-13-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

   Narrative:

   SEE ATTACHED

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	0	0	0	1,071,000	0	1,792,000
Expenditures:	0	0	946,000	1,040,000	0	1,792,000

3. What, if any, is the effect of this measure on the appropriation for your agency or department:
   a. For rest of 1997-99 biennium: 0
   b. For the 1999-2001 biennium: JSND $111,000 SBVTE $1,875,000
   c. For the 2001-03 biennium: Unknown

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
0	0	0	$50,300		0	$85,800		0

If additional space is needed, attach a supplemental sheet.

Signed _____

Typed Name Wayne Kindem

Date Prepared: 4-13-99

Department Job Service North Dakota

Phone Number 328-3033

ATTACHMENT
HB 1443 CONF. COM.
FISCAL NOTE NARRATIVE

HB 1443 establishes a three-hundredths of one percent workforce training investment fee on employers based on taxable wages paid to employees each calendar year. Public and private school and employers with less than 25 employees would be exempt from the annual workforce training investment fee. The taxable wages for assessing the fee would be the same as established in Chapter 52-04 for unemployment contribution purposes. The fee would be assessed annually. The workforce investment fee is projected to raise $1,071,000 for the 1999-2001 biennium and $1,792,000 for the 2001-2003 biennium. The fee impact on county and city government is estimated to be $50,300 in the 1999-2001 biennium and $85,800 in the 2001-2003 biennium. The fee impact on the state as an employer is estimated to be $101,400 in the 1999-2001 biennium and $172,900 in the 2001-2003 biennium.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: Reeng. HB 1443

Requested by Legislative Council Date of Request: 4-2-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

   Narrative:

   (See attached)

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:	0	0	0	1,608,000	0	2,695,000
Expenditures:	0	0	446,000	1,540,000	0	2,370,000

3. What, if any, is the effect of this measure on the appropriation for your agency or department:
   a. For rest of 1997-99 biennium: 0
   b. For the 1999-2001 biennium: Job Service-$111,000, SBVTE-$1,875,000
   c. For the 2001-03 biennium: Unknown

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
0			68,000		0	115,000		0

If additional space is needed, attach a supplemental sheet.

Signed Wayne Kindem

Typed Name Wayne Kindem

Department Job Service

Phone Number 328-3033

Date Prepared: 4-2-99

Attachment
HB 1443 As Amended
Fiscal Note Narrative

Reengrossed HB 1443 as amended establishes a four-hundredths of one percent workforce training investment fee on employers based on taxable wages paid to employees each calendar year. Public school districts and employers with less than 15 employees would be exempt from the annual workforce training investment fee. The taxable wages for assessing the fee would be the same as established in Chapter 52-04 for unemployment contribution purposes. The fee would be assessed annually. The workforce investment fee is projected to raise $1,608,000 for the 1999-2001 biennium and $2,695,000 for the 2001-2003 biennium. The fee impact on county and city government is estimated to be $68,000 in the 1999-2001 biennium and $115,800 in the 2001-2003 biennium. The fee impact on the state as an employer is estimated to be $142,000 in the 1999-2001 biennium and $242,200 in the 2001-2003 biennium.

Estimated expenditures for the 1999-2001 biennium is $1,986,000 (Higher Education-$1,875,000 and Job Service-$111,000) and $2,370,000 for the 2001-2003 biennium (Higher Education-$2,300,000 and Job Service-$70,000).

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: Engrossed HB1443

Requested by Legislative Council Date of Request: 2-16-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

   Narrative:

   HB 1443 implements the recommendations of the Workforce Training Task Force. The NDUS continues to support the governance structure and intent contained in HB1443. However, without the $1.0 million general fund appropriation originally contained in this bill or the $1.0 million contained in the Dept. of Voc. Ed. budget, alternative state funding sources would need to be identified to complete the funding partnership called for in the task force report and in HB1443 (i.e. state, local and private) to create the work force training delivery system.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	**Other Funds**	**General Fund**	**Other Funds**	**General Fund**	**Other Funds**
Revenues						
Expenditures			$1,000,000		$1,350,000	

3. What, if any, is the effect of this measure on the budget for your agency or department:

   For rest of 1997-99 biennium:

   b. For the 1999-2001 biennium: +$1,000,000

   c. For the 2001-03 biennium: +$1,350,000

4. **County, city, and school district** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	**Cities**	**School Districts**	**Counties**	**Cities**	**School Districts**	**Counties**	**Cities**	**School Districts**

Signed: Laura Glatt

Typed Name: Laura Glatt

Department: North Dakota University System

Phone Number: 328-4116

Date Prepared: 2-16-99

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: HB 1443 Amendment to:

Requested by Legislative Council Date of Request: 1-20-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

   Narrative:

   (See attachment)

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	**Other Funds**	**General Fund**	**Other Funds**	**General Fund**	**Other Funds**
Revenues						
Expenditures			$1,000,000		$1,350,000	

3. What, if any, is the effect of this measure on the budget for your agency or department:

a. For rest of 1997-99 biennium:

b. For the 1999-2001 biennium: +$1,000,000

c. For the 2001-03 biennium: +$1,350,000

4. **County, city, and school district** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	**Cities**	**School Districts**	**Counties**	**Cities**	**School Districts**	**Counties**	**Cities**	**School Districts**

Signed: Laura Glatt

Typed Name: Laura Glatt

Department: North Dakota University System

Phone Number: 328-4116

Date Prepared: 1-29-99

Attachment for HB1443

HB1020, the appropriation bill for the State Board for Vocational and Technical Education, includes a $1.0 million general fund appropriation for workforce training. Section 8 of HB 1443 would provide that these funds be used "for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training to provide the framework for work force training in this state, for the biennium beginning July 1, 1999, and ending June 30, 2001. " BSC, NDSCS, UND-LR and UND-W will provide the primary workforce training coordination in the state of North Dakota. The general funds will be supplemented by other local, institutional and private sources and used to cover the cost of staffing and operating costs associated with this coordinating function. Primary functions include: contacting business and industry, developing effective working relationships, determining training needs, arranging training, and establishing business advisory councils.

All campuses will be involved in the delivery of training. It is intended that a revolving local fund for training program start-up funds be established.

voice vote amend

Proposed amendments to HB 1443 from tribes/tribal colleges:

Page 4, line 2: Add, after the word "members", the following:

"including at least one representative from one of the following: an Indian owned business, the tribal government, or the tribal colleges within the designated region".

Page 4, line 7: Add, after the word "plan", the following:

"which shall include, at a minimum, provisions for use of the training capacity of the tribal colleges within the designated region".

90709.0101
Title.

Prepared by the Legislative Council staff for
Representative R. Kelsch
February 3, 1999

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1443

Page 1, line 5, remove "junior"

Page 1, line 10, overstrike "junior"

Page 3, line 22, replace "The" with "Subject to state board of higher education policies, the"

Page 3, line 23, after "division" insert "or other unit"

Page 3, line 25, replace "delivering" with "arranging the delivery of"

Page 3, line 28, replace "**Advisory**" with "**Work force training**" and replace "The" with "Subject to state board of higher education polices, the"

Page 3, line 29, replace "an advisory" with "a work force training"

Page 4, line 1, replace "advisory" with "work force training"

Page 4, line 5, replace "The" with "Subject to state board of higher education policies, the"

Page 4, line 7, replace "advisory" with "work force training"

Page 4, line 8, replace "advisory" with "work force training"

Page 4, line 15, replace "The" with "Subject to state board of higher education policies, the"

Page 4, line 17, replace "advisory" with "work force training"

Renumber accordingly

Adopted by the Education Committee
February 3, 1999

VR
2/3/99

HOUSE AMENDMENTS TO HOUSE BILL NO. 1443 **Edu 2-04-99**

Page 1, line 5, remove "junior"

Page 1, line 10, overstrike "junior"

HOUSE AMENDMENTS TO HOUSE BILL NO.1443 Edu 2-04-99

Page 3, line 22, replace "The" with "Subject to state board of higher education policies, the"

Page 3, line 23, after "division" insert "or other unit"

Page 3, line 25, replace "delivering" with "arranging the delivery of"

Page 3, line 28, replace "**Advisory**" with "**Work force training**" and replace "The" with "Subject to state board of higher education policies, the"

Page 3, line 29, replace "an advisory" with "a work force training"

HOUSE AMENDMENTS TO HOUSE BILL NO.1443 Edu 2-04-99

Page 4, line 1, replace "advisory" with "work force training"

Page 4, line 2, after "members" insert "including at least one representative from one of the following: an Indian-owned business, the tribal government, or the tribal colleges within the designated region"

Page 4, line 5, replace "The" with "Subject to state board of higher education policies, the"

Page 4, line 7, after "plan" insert "that must include provisions for use of the training capacity of the tribal colleges within the designated region" and replace "advisory" with "work force training"

Page 4, line 8, replace "advisory" with "work force training"

Page 4, line 15, replace "The" with "Subject to state board of higher education policies, the"

Page 4, line 17, replace "advisory" with "work force training"

Renumber accordingly

Date: 2-3-99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1443

House Education Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as amended - re-referred to appropriations

Motion Made By Drovdal Seconded By Thoreson

Representatives	Yes	No	Representatives	Yes	No
Rep. ReaAnn Kelsch-Chairperson	✓		Rep. Dorvan Solberg	✓	
Rep. David Drovdal-Vice Chair	✓				
Rep. Michael D. Brandenburg	✓				
Rep. Thomas T. Brusegaard	✓				
Rep. C. B. Haas	✓				
Rep. Dennis E. Johnson	✓				
Rep. Jon O. Nelson	✓				
Rep. Darrell D. Nottestad	✓				
Rep. Laurel Thoreson	✓				
Rep. Howard Grumbo	✓				
Rep. Lyle Hanson		✓			
Rep. Deb Lundgren		✓			
Rep. Phillip Mueller	✓				
Rep. Robert E. Nowatzki	✓				

Total (Yes) 13 No 2

Absent 0

Floor Assignment Chr Kelsch

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1443: Education Committee (Rep. R. Kelsch, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (13 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1443 was placed on the Sixth order on the calendar.

Page 1, line 5, remove "junior"

Page 1, line 10, overstrike "junior"

Page 3, line 22, replace "The" with "Subject to state board of higher education policies, the"

Page 3, line 23, after "division" insert "or other unit"

Page 3, line 25, replace "delivering" with "arranging the delivery of"

Page 3, line 28, replace "**Advisory**" with "**Work force training**" and replace "The" with "Subject to state board of higher education policies, the"

Page 3, line 29, replace "an advisory" with "a work force training"

Page 4, line 1, replace "advisory" with "work force training"

Page 4, line 2, after "members" insert "including at least one representative from one of the following: an Indian-owned business, the tribal government, or the tribal colleges within the designated region"

Page 4, line 5, replace "The" with "Subject to state board of higher education policies, the"

Page 4, line 7, after "plan" insert "that must include provisions for use of the training capacity of the tribal colleges within the designated region" and replace "advisory" with "work force training"

Page 4, line 8, replace "advisory" with "work force training"

Page 4, line 15, replace "The" with "Subject to state board of higher education policies, the"

Page 4, line 17, replace "advisory" with "work force training"

Renumber accordingly

1999 HOUSE APPROPRIATIONS

HB 1443

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1443

House Appropriations Committee

❑ Conference Committee

Hearing Date 2/8/99

Tape Number	Side A	Side B	Meter #
1	x		39.0-60.0
1		x	0.0-37.4
Committee Clerk Signature	Kevin Kaufenbach		

Minutes:

SUMMARY OF THE BILL: A BILL for an Act to create and enact four new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institution of higher education; to repeal section 15-11-02.1 of the North Dakota Century Code, relating to supervision of the college at Devils Lake; and to provide an appropriation.

Chairman Dalrymple opened the hearing on HB 1443 in the Roughrider Room.

(39.2) Rep. John Dorso testified in support of HB 1443. (see attached testimony)

(43.4-1.3 of side B) There was discussion between Reps. Aarsvold, Bernstein, Svedjan, Monson, and Dorso as to the similarities of this bill and Workforce 2000.

(2.2 side B) Dale O. Anderson, on behalf of Roger Reierson, Chairman of the Task Force For Improving Workfoce Development And Training appeared in support of the bill. (see attached testimony)

(18.5) Dave Clark of BSC appeared in favor of the bill.

(19.9) Larry Isaak, of the NDUS, Chancellor of the University System appeared in favor of the bill.

The hearing on HB 1443 was closed, without the committee taking action on this day.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ☑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date February 11, 1999			
Tape Number	Side A	B Side	Meter #
1		x	5.1-9.9
Committee Clerk Signature	Paulette Gussiaas		

Minutes:
A Bill for an Act to create and enact four new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institutions of higher education; to repeal section 15-11-01.1 of the North Dakota Century Code, relating to supervision of the college at Devils Lake; and to provide an appropriation.

Tape 2, B, 5.1 Chairman Dalrymple opened committee work on HB 1443.

5.3 Rep. Byerly moves to further amend the bill to remove section 8, 2nd by Rep. Delzer. The motion carries.

7.2 Rep Byerly moves a do pass as amended, 2nd by Rep. Carlisle. The vote 11, 9 nos, 0 absent. Rep. Byerly carries the bill to the house floor.

Date: 2/11/99
Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1443

House Appropriations Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By Byerly Seconded By Carlisle

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	X		Nichols		X
Vice-Chairman Byerly	X		Poolman	X	
Aarsvold	X		Svedjan	X	
Bernstein	X		Timm	X	
Boehm		X	Tollefson	X	
Carlson		X	Wentz	X	
Carlisle	X				
Delzer		X			
Gulleson		X			
Hoffner		X			
Huether	X				
Kerzman		X			
Lloyd		X			
Monson		X			

Total (Yes) 11 No 9

Absent 0

Floor Assignment Byerly

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1443, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 9 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1443 was placed on the Sixth order on the calendar.

Page 1, line 4, after the semicolon insert "and"

Page 1, line 5, remove "; and to provide an"

Page 1, line 6, remove "appropriation"

Page 4, remove lines 28 through 31

Page 5, remove lines 1 and 2

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 270 - STATE BOARD FOR VOCATIONAL AND TECHNICAL EDUCATION

HOUSE - This amendment removes Section 8 of the bill, which provided a general fund appropriation of $1,000,000 to the State Board for Vocational and Technical Education for contracting with institutions of higher education for work force training.

1999 SENATE EDUCATION

HB 1443

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1443

Senate Education Committee

❑ Conference Committee

Hearing Date March 2, 1999

Tape Number	Side A	Side B	Meter #
1		x	875-end
2	x		0-3020
2	x		4650-5628
3/3/99 1		x	3445-5532
Committee Clerk Signature	Linda Christman		

Minutes:

SENATOR FREBORG opened the hearing on HB1443. All senators were present.

REP. JOHN DORSO, DISTRICT 46 INTRODUCED HB1443. HB1443 is a culmination of a lot of work over the last interim. Real issue is we have not had a coordinated effort in jobs training in North Dakota. It has been fragmented over the years and certainly we have done some things since the late 1980's, but I believe Workforce Training has to have more of a focus. HB1443 puts the responsibility for that focus where it ought to be, it asks that private enterprise and higher education system collaborate. Does make some changes as far as the two year schools are concerned. I think it goes back to doing what we should have done a long time ago, rather than what we did and allowed them to become universities. I think we should have made them true community colleges at the time and this allows that to happen. It will be better for the institutions, better for the community and certainly for the industry that they will serve.

Testimony in Favor: Representative Byerly, District 1. I am happy to be here in support of a bill as important as HB1443 for not only our area of the state, but also for the work force in our area of the state. This bill addresses anticipating the needs of business in the state of ND, working through organizations like GNDA and higher ed. Our community college will be able to anticipate those needs and meet them in the future. Hope we can move forward with this bill.

Testimony in Favor: Senator Kringstad, District 49. I'm happy to be here to get this Workforce Training off the ground. There is one thing I want to correct. BSC has been doing Workforce Training for several years. I think we have served in the neighborhood of about 38 different companies. Education is the answer and with this bill we can provide training necessary to create new jobs and retain present employees. I think it can have a direct affect on our state's economy. I'm offering an amendment to the reengrossed HB1443 to the Senate Education Committee, it is a new section. The new section, Section 8, is an appropriation, it restores 1 million dollars that was removed by the house. The money is to be used as part of the start up cost to establish a framework for Workforce Training.

SENATOR KELSH : What does the repeal do.

Sen. Robinson: I will leave that to someone else. I'm not in a position to answer that.

Testimony in Favor: Senator Traynor, District 15. I am here to support the bill. I'm reminded of the time that I served on the 2000 Committee. A group of ND citizens were concerned about the future of ND. As a result of the study of the 2000 Committee the 1991 Legislature introduced several economic development processes and appropriated a considerable amount of money when times were tough. Has this born fruit. Look at the report yesterday. The corporate income tax and the individual income tax are the money generators for our general fund. This

bill is another one, right in line with that. I hope this bill is worthy of the appropriation of money that is proposed. I support it.

Testimony in Favor: Former Senator Bill Goetz, Chief of Staff for Governor Ed Schafer.

I'm here representing the Governor's office as Chief of Staff in support of HB1443. I think it is imperative that as we look at this piece of legislation, we reflect a bit in terms of where we've been and where we're going. We certainly are faced with a challenge this session in terms of the revenue picture. But we need to face up to the fact that yes, there is a revenue situation out there but what it comes down to is where do we place our priorities. Jobs training in this session has to be a major priority. Those of you who have served in the legislature well know that every session, we leave that session having accomplished something in terms of the overall agenda. This is the session where we need to leave with strong convictions of having accomplished what needs to be accomplished in jobs training, job development and technology. That is our future and that is the niche of which ND can thrive. Our challenge then is jobs training. That is the next step. We need to raise the bar in terms of making a contribution toward enhancing the productivity of our labor force and potential labor force and 1443 addresses that. As you deliberate this issue let's make sure we're addressing jobs training across the state geographically. It is absolutely imperative that we don't just simply apply jobs training to where we already have a thriving economy in terms of high diversification and a positive business environment. As important as making sure we have a high degree of accessibility across the state to further enhance and in some cases initiate economic activity, without that important base there are pockets in this state, communities that will not be able to initiate economic development simply because of lack of jobs training. The work that has gone on in the state of

ND in addressing this particular piece of legislation is far reaching. This was not initiated by one particular individual or group but rather it has been the coming together of the business community, the higher ed system, and state government agencies. Yes, it is going to require some change. I think in the higher education system, there is a need for a cultural change in terms of delivery. No longer can the people in higher education sit back and think it is business as usual. Need to elevate the awareness to the general public that this is an important agenda item. Need to realize it speaks to transition and change, how we do business and the relationship of the business community and our education community.

SENATOR KELSH : One of the problems is that we are doing a pretty good job of training our people as they are leaving the state. Out migration is a problem, not that I have a problem with that. Would the Governor's office be opposed to putting a living wage amendment on here, so we can attract those people and keep them in the state instead of just training them and then they go away.

Bill: There isn't any doubt that wages are an issue. People have been able to improve their productivity and skill level, then the wage certainly has to follow. To impose a level does not speak well in terms of the positive environment as it relates to each particular situation. Think we need to be cautious about being an advocate.

SENATOR KELSH : How are we going to deal with out migration. What is the solution of keeping people in ND. We talk about a tax base but that is eroding constantly. The market doesn't seem to be doing it, we have people that we've trained but they are all leaving the state. People who are producing the children are not filling our schools because they have gone someplace else. We've got to start taking a look just like the agriculture program. We've got to

take a look at price, not give a little tax break here and there, we've got to put money in their pockets. Same thing with the people. When they get trained here there should be something that says we're going to see that you have a decent living wage if you stay in the state of ND. That is not in here and I don't think it will work until it is.

Bill: I appreciate your position and I think I've stated mine in terms of representing the office.

Testimony in Favor: Senator Bercier, District 9. In section 4 the Workforce Training Board we are excited to see that tribal folks are looked and included. We're encouraged by the fact that in the preparation of the business plan the tribal colleges within the designated regions are also included. I think it is unfortunate however that in the very beginning process of this development, the tribal colleges were excluded in the developmental program. We were not at the table up front, we came in after the dessert is being served so to speak. I would ask that when things like this are done, tribal colleges and tribes be included in some of the up front development process so we feel we are a part of the process. Again I'm just encouraged to see that this has been done already and amended in. I would also encourage you to consider the possibility of having another designated zone or area, there is a possibility that there could be an amendment to include another zone, so that we could identify some of our areas. Our tribal areas where tribal colleges serve, serve some very unskilled people, some very unemployed people, people on welfare rolls. So we have a tough population to serve. Encourage you to take a look at that.

SENATOR WANZEK : Tribal colleges, are they owned by the native American people or is it a publicly owned college or are they considered private schools.

Sen. Bercier: Tribal colleges are chartered by the tribes. They belong to the tribe, we are an entity of the tribe. United Tribes is a joint venture between all of the tribes in ND. United Tribes Technical College now serves Indian people from a lot of different reservations nationally. We are a tribal college that is owned and operated by the tribe.

Testimony in Favor: Jodi Uecker-Rust, Vice Chairman of Task Force for Improving Workforce Development and Training. Jodi is Executive Vice President of Great Plains Software, Fargo. Written testimony attached.

SENATOR O'CONNELL : Why would we want to decouple from the university system. Don't you think we are going backwards when we go back to state college and university system.

Jodi: I would defer that question to someone else at a later time.

SENATOR COOK : Does Devils Lake have a college president right now.

Jodi: I don't know.

Testimony in Favor: Mel Olson, State Director of Vocational and Technical Education. Written testimony attached.

Testimony in Favor: Larry Isaak, Chancellor of the North Dakota University System. Written testimony attached.

SENATOR WANZEK : You refer to training as being different from development training targeted more toward a specific unique training for that task. Say in a situation where it is a customized program for a specific business. In those instances will that business which benefits from a better trained workforce will they pay for some of the cost.

Larry: Exactly. The funding model here is really three legs of a stool. It is the state support, local support and support from the business and industry. Funding request here is provided if

you will, the infrastructure. The actual cost of the training though on or off site training would be paid by business and industry. This is not a subsidy in that sense to business and industry, they would still have to pay for the direct cost of the training and so forth.

Testimony in Favor: Donna Thigpen, President of Bismarck State College. Written testimony attached.

SENATOR COOK : Talked about your communication with businesses now and their needs. Is there a need to train existing employees or are there employees that they need that need training first.

Donna: Right now most of the training we are doing is with retraining of the existing workers. For example every time Microsoft comes out with another version of windows, then all the employees using that need to be trained. These contracts are with the businesses, not individuals employees.

SENATOR COOK : There is a need for new employees and all it is that is keeping these new employees from matching up with these jobs is training. When we consider we have low unemployment are we not to determine that we will probably be training people who are working now and offering them chances to move up and increase their salary.

Donna: That is exactly the case. We have many under employed people in ND.

Testimony in Favor: Sharoll Etemad, CEO at UND Lake Region. This is needed in ND not only for Workforce Training which I think is incredibly important venture but also just so we can get ahead. If you look at ND we thought we were well ahead of it when MN came in and put a two year college in east Grand Forks and one in Moorhead. Well folks we are not ahead of it, those people who go into the training program there often do not come back. On the other hand a two

year college graduate in ND our research shows that they do stay in the state. And those are the core people that support the professionals. We need both levels in our system and we need to develop more thoroughly our two year college system as part of our higher ed operation in ND. I think this is a real move and I appreciate the comments who worked on this with Iowa to make sure this model was a good one. It makes much more sense that we work coherently with the two year colleges in the state. I think this structural change is very important and I'm supportive of it, my community is supportive of it. Time is good for us to make a coherent two year college delivery. Will help us meet the needs that were noted in the Bush Study that we have an underdeveloped technical training in ND. Need state support. Urged you to put the funding back in that was removed in the house.

SENATOR COOK : How much opportunity do you have to offer training to US military.

Sharoll: We do a tremendous amount. Have a large program at the Grand Forks Air Force Base. They have a community college at the air base which has recognized the technical training in the air force and we enhance that with the general education report as well as offering full programs at the base. It has been a good partnership. Good for us and good for the military.

Testimony in Favor: Richard Glazer, Lobbyist for Amoco Refinery. Supports the bill. No written testimony.

Testimony in Favor: Dr. David Gipp, President of United Tribes Technical College. Written testimony attached.

Testimony in Favor: David Klemnitz, NDAFL-CIO. No written testimony.

SENATOR FREBORG : We will now close the hearing on HB1443.

Discussion:

SENATOR WANZEK : During the discussion on the bill there was some talk about an amendment to add back in the funding that was taken out by the house. I found it a little bit interesting considering the sponsors. I don't know if this committee is prepared to say how much that should be but I do believe that it is important that this gets to the appropriations committee. There are the ones best able to decide how much we should put into this bill. I know it takes $5,000 appropriation to get to the appropriations committee. I move that we add a section 8 and put $5,000 in it to get to appropriations.

SENATOR COOK : 2nd

SENATOR O'CONNELL : I think we should put a figure in there that is practical, it is in the Governor's budget. Very seldom do appropriations go up.

SENATOR FREBORG : I would agree with that and probably agree with putting a larger appropriation on it but it was a member of the group this morning that requested just enough money to get it to appropriations. They felt they could deal with it over there better than if we put something in.

Vote: 5 Yes 1 No

3/3/99

SENATOR FREBORG called the committee back to order and took up engrossed HB1443. We had 17 people testify on HB1443. All had very similar testimony. what are your wishes. we do have an amendment on the bill.

SENATOR REDLIN : I would like to see a mention of a labor representative on these committees. I don't see how it can hurt the bill and it might do it some good. I would like to move an amendment and I believe it was provided for us on Page 3 line 31.

SENATOR O'CONNELL : 2nd

Vote: 5 Yes 2 No

SENATOR FREBORG : That motion carried by a vote of five to two.

SENATOR KELSH : Is there an appropriation put on the bill.

SENATOR FREBORG : There is $5,000 put on the bill to make sure it gets to Appropriations. we have adopted that amendment. At the request of a couple of members who have sponsor the bill, just to get it to Appropriations.

SENATOR KELSH : I would like to put a living wage amendment on this bill. I think when we go through this process of training people, designating institutions of higher education for that purpose that the people that come out of there should expect to be able to make a living off the job they get in the state of North Dakota. I do not have the amendment drawn up, but I would like to propose that.

SENATOR FREBORG : You want to double it SENATOR KELSH .

SENATOR KELSH : Double what?

SENATOR FREBORG : The appropriation.

SENATOR KELSH : No, I don't want to double the appropriation. I would like to put a living wage amendment on the bill.

SENATOR FREBORG : Oh, you are not talking about the appropriation, I'm sorry.

SENATOR KELSH : No, as I said, as a state, when we designate state institutions of higher education, when we train people, I would hope they would expect to make a living wage in the state of North Dakota. The companies that hire them should be expected to pay so we can keep those people here. Out migration is a big problem and will continue to be until we have a wage scale that keeps people here. I do not have that amendment, I can probably get it pretty quickly, but I would move that we put such an amendment on this bill.

SENATOR FREBORG : SENATOR KELSH , without the language we will allow you to run that motion, if it passes we will have to hold the bill and get the amendment because there is no way we can depend on what that would be. If it fails then we will take action on the bill the way it is. So we know the intent of SENATOR KELSH , we have the motion seconded to have an amendment drafted speaking to the living wage.

SENATOR O'CONNELL : 2nd

SENATOR WANZEK : I would never argue against wanting everybody to have a living wage. I would hope that is ultimately our end goal. I believe the real motivation for creating a living wage is by bringing in more demand for your job. I see the results of that in Jamestown. I sat on the labor and housing task force for the Chamber committee in Jamestown and the wages have considerably moved higher because of the fact that there is more jobs that there are laborers. And I think if we put a living wage on us, the businesses we are going to hurt are the smaller businessmen who are sometimes taking great risks in trying to forward an entrepreneurial idea for a business and if we mandate of course to pay every single one in their business a living wage, we might scare them away or scare them away from even attempting to do anything. I have strong feelings that the best way to raise peoples wages of course to enhance their abilities

but also create a market for what they do. And the way to do that is not to put up restrictions to businesses coming in, but to encourage them to come in and use these tools. I would resist the motion, myself.

SENATOR KELSH : Would you define a living wage.

SENATOR KELSH : It takes a family of four probably $15-16,000 based on a formula that is basically above the poverty level as determined by the US government. And it's probably in that $8 an hour, but I can't tell you exactly what that would be. But they need to get over $14,000-15,000 so they can live. We have had Economic Development and Finance for several years, since the Sinner administration. We have not attracted the companies that are paying these kind of wages to keep people here, otherwise we wouldn't have out migration. And out migration of the people that are in their 20's, they have graduated from college, they are in the 25-30 year range, they get married, they find they can't make a living in the state of North Dakota, they are gone. It has affected our schools and its affected our tax base. in all honesty, because they can get five or ten thousand dollars someplace else and I think it is something we have to deal with at some point. We are not really dealing with that issue. It was mentioned yesterday there is a mind set in the state of North Dakota that we are proud to be 50th always. We have got to get over that mind set some way or another. If we are going to keep and tax a few people here they have got to be able to make a decent living. This is a discussion that needs to take place and that Mr. Chairman is the reason I have spoken to the amendment.

SENATOR FREBORG : Any other discussion the motion to amend.

SENATOR FLAKOLL : I have a question about how it would affect others like in the farming industry. My father employs a number of individuals and at $3.00 wheat, if you can't afford the

guy at $5, it's hard to find people for some of those particular jobs. Why are we not employing a number of people, and I am not sure how that would effect, 90% of our employees are seasonal part-time and I am not sure how that would effect those individuals either. But mostly I am concerned about the spiral, it seems greater in the rural areas particularly in farming. When your prices are always locked in at marginal levels and you increase your expenditures per labor you can't afford to pay for them. Worried about that.

SENATOR COOK : I agree with SENATOR WANZEK , everybody wants to see citizens of ND make as much money as they can make. It's the means in which they reach their fullest potential that is important. Right now I'm an employer, believe me I know with the low unemployment out there and the demands on quality people you had better be prepared to handle wages or you are not going to get the quality people you want. Through the perspective of a parent with three children in their 20's, they are not making $50,000 dollars a year like I think they should. The one that just graduated from college is going through her steps. With a high school diploma right now you can go to two of these places that were created through strong efforts in economic development, Sykes and US Health Care and both are places I would never really want to work at personally because of the type of work that is done there. We have kids that are dropping out of college and won't go to college because they can make $23,000 a year. My son with 3 years at UND started working at Menards in the summer and he didn't go back to college. He's happy with the money he is making and the future that is laid out for him at Menards. Right now in ND salaries are being driven up because of the strong economy or strong need for people and that is the way they should be going up.

SENATOR O'CONNELL : I guess that is why there should be a living wage for people but a decent wage and then they spend money on main street, pay taxes and instead of giving to the big guy you bring in you give them tax exempt for a blanket number of years then you give slave wages, then when all the incentives are gone, they are gone.

SENATOR FREBORG : I will ask the clerk to take the role on the motion to adopt the amendment speaking to a living wage.

Vote: 3 Yes 4 No

SENATOR FREBORG : Motion failed by a vote of 3 to 4.

SENATOR COOK : I move a DO PASS of the engrossed bill 1443 as amended and rerefer to appropriations.

SENATOR WANZEK : 2nd.

Vote: 7 Yes 0 No

CARRIER: SENATOR COOK

Date: 3/2/99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1443

Senate EDUCATION Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Move to put Sect. 8 back in a appropriate $5,000.

Motion Made By Wanzek Seconded By Cook

Senators	Yes	No	Senators	Yes	No
Senator Freborg, Chairman	✓				
Senator Cook, Vice Chairman	✓				
Senator Flakoll	✓				
Senator Wanzek	✓				
Senator Kelsh					
Senator O'Connell	✓				
Senator Redlin		✓			

Total (Yes) 5 No _____

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3/3/99
Roll Call Vote #: 2

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1443

Senate EDUCATION Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Move to adopt amendment

Motion Made By Redlin Seconded By O'Connell

Senators	Yes	No	Senators	Yes	No
Senator Freborg, Chairman		✓			
Senator Cook, Vice Chairman	✓				
Senator Flakoll	✓				
Senator Wanzek		✓			
Senator Kelsh	✓				
Senator O'Connell	✓				
Senator Redlin	✓				

Total (Yes) 5 No 2

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3/3/99
Roll Call Vote #: 3

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1443

Senate EDUCATION Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Motion to reconsider our actions by which we amended the Bill.

Motion Made By Kelsh Seconded By Flakoll

Senators	Yes	No	Senators	Yes	No
Senator Freborg, Chairman	✓				
Senator Cook, Vice Chairman	✓				
Senator Flakoll	✓				
Senator Wanzek	✓				
Senator Kelsh	✓				
Senator O'Connell	✓				
Senator Redlin	✓				

Total (Yes) 7 No 0

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3/3/99
Roll Call Vote #: HB 1443 4

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. _____

Senate EDUCATION Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Adopt an amendment on living wages

Motion Made By Kelsh Seconded By O'Connell

Senators	Yes	No	Senators	Yes	No
Senator Freborg, Chairman		✓			
Senator Cook, Vice Chairman		✓			
Senator Flakoll		✓			
Senator Wanzek		✓			
Senator Kelsh	✓				
Senator O'Connell	✓				
Senator Redlin	✓				

Total (Yes) 3 No 4

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 3/3/99
Roll Call Vote #: 5

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1443

Senate EDUCATION Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Move Do Pass as amended & rerefer to approp.

Motion Made By Cook Seconded By Wanzek

Senators	Yes	No	Senators	Yes	No
Senator Freborg, Chairman	✓				
Senator Cook, Vice Chairman	✓				
Senator Flakoll	✓				
Senator Wanzek	✓				
Senator Kelsh	✓				
Senator O'Connell	✓				
Senator Redlin	✓				

Total (Yes) 7 No 0

Absent _____

Floor Assignment Cook

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1443, as reengrossed: Education Committee (Sen. Freborg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1443 was placed on the Sixth order on the calendar.

Page 1, line 4, remove "and"

Page 1, line 5, after "Lake" insert "; and to provide an appropriation"

Page 3, line 31, after "businesses" insert ", labor,"

Page 4, after line 26, insert:

"**SECTION 8. APPROPRIATION.** There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $5,000, or so much of the sum as may be necessary, to state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training in this state for the biennium beginning July 1, 1999, and ending June 30, 2001."

Renumber accordingly

1999 SENATE APPROPRIATIONS

HB 1443

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. REENGROSSED HB 1443

Senate Appropriations Committee

❑ Conference Committee

Hearing Date 3/9/99; 3/31/99

Tape Number	Side A	Side B	Meter #
2	x		1887-end
2		x	75-1360
3/31/99 2	1-665		
Committee Clerk Signature	Claudia Anderson		

Minutes:

SENATOR NETHING: Opened the hearing on reengrossed HB 1443; a BILL for an Act to create and enact four new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institutions of higher education; and to repeal section 15-11-02.1 of the North Dakota Century code, relating to supervision of the college at Devils Lake.

ED KRINGSTAD: Senator, District 49, to present proposed amendments to (attached), and to testify in support of reengrossed HB 1443. With this bill we can create training necessary to create job opportunities and retrain present employees. This can have a direct effect on our state's economy. The Education Committee passed it over here with a $5,000 funding mechanism. So, all we need is $995,000. (tape 2, A, 1980-2055)

JOHN DORSO: Representative, District 46. We did have a joint hearing on SB 2404 with the House Appropriations and House Education Committees. I think when you are considering HB 1443, you should consider both bills when you're considering funding. This bill is a culmination of an effort of people from education, business, higher education, and the governor's staff involved in this effort to somewhat remake the way we deliver workforce training in ND. Workforce training should be considered as different from workforce development. Workforce training is more point specific; in time, shorter. In my opinion, one of the things we need to do as a state legislature if we want to succeed economically, is to do a better job on workforce training. The requirements of training continually metamorphize. This bill takes 4 of our institutions of higher learning, and changes them back into the concept of a community college which is more able to deliver the needs of workforce training. This will certainly benefit the workforce we have and hope to attract. (tape 2, A, 2055-2385)

SENATOR ROBINSON: I support the bill; and will defer to others who will provide testimony.

BILL GOETZ: I am here today on behalf of the Governor to support HB 1443. This agenda has been important for the past several sessions. It has been evident on several occasion as we dealt with legislation. Job development, workforce training, was in dire need of being addressed in terms of a coming together of the academic and business communities. This bill addresses the importance of a delivery system, backed up by financial resources. Yes, we're attempting to address jobs training, but more important than that is a delivery system - the coming together of the academic community linking with the business community, and addressing jobs training. We're also talking about making application of financial resources toward that end. In the Governor's Executive Budget, there was a total $1M that was placed behind this concept. When we look at those dollars, I ask that we look at the various programs we have in place - workforce 2000, other programs that make money available to the business community to conduct training. What we're talking about here is addressing and putting into place a system that speaks to front-end dollars, dollars that are needed to support the infrastructure and the delivery of that training. I like to leave each session with a sense of accomplishment. Years back we had the energy issues, the formation of tax policies, and the formation of reclamation policy. We addressed in each session paramount issues that were of great importance and we left with the feeling we had accomplished something. This is a session that when we look at cycle we're at in economic development in this state, whereby we need to address this important component - jobs training. We need to leave this session with a concept in place that, in fact, jobs training is going to be an accomplishment of this session. It is major priority of the Governor. He looks at it as an important piece of the continuation of economic development in the state of ND. Another impression I want to leave with you is this. Six months ago, there was a coming together of a host of individuals who represented business, the area of academics, the legislative branch and the executive branch of government. What you have before you - HB 1443 - is a product of 6 months of work supported by a host of individuals who looked at other systems in other states and thought this was the best concept for the state of ND. I'm asking you, on behalf of the Governor, to put the money back in, that you support HB 1443, as an answer to the tremendous need of improving the productivity of this state - the improvement of our labor force.

ROGER REIERSON: Chairman of the Task Force for Improving Workforce Development and Training, and Pres., Flint Communications, Fargo to testify in support of reengrossed HB 1443 with proposed amendment restoring $1 funding. (testimony attached #1) (tape 2, side A, 3015-4140)

LARRY ISAAK: Chancellor, Board of Higher Education, to testify in support of reengrossed HB 1443, with proposed amendments. (testimony attached #2)

DONNA THIGPEN: President, Bismarck State College, to testify in support or reengrossed HB 1443 with the $1M funding reinstated. (attachments 3A, B, & C) (tape 2, A, 5550)

ROBERT SPENCER: General Manager and CEO of Northern Plains Electric Cooperative, and to testify on behalf of the ND Association of Rural Electric Cooperatives. (testimony attached #4) (tape 2, A, 6015)

DENNIS JOHNSON: President and CEO of TMI Systems Design Corporation, Dickinson, to testify in support of engrossed HB 1443 and restoration of $1M funding. (attachment #5) (tape 2, B, 75-290)

SENATOR BOWMAN: If this becomes a reality, do you work with the Centers to provide specific training for your business?

JOHNSON: I suppose it would be some of both. Some of it would be very customized i.e. autoCAD, others would be generic and would include others from other businesses.

JASON BARNHARDT: ND Student Association, to testify on behalf of students and in support of workforce training. (attachment #6) (tape 2, B, 413-600)

ROGER REIERSON: Presented a handout listing workforce Board Members (attachment #7), and encouraged support of reengrossed HB 1443 and stressed the importance of reinstating the $1M funding

SENATOR BOWMAN: We've heard technology from local colleges, and we're expanding into those areas. Why?

REIERSON: The programs in Mayville and Valley City will be a part of the delivery system.

SENATOR BOWMAN: My point is we want to maximize our funding. It seems we should built on these that are currently doing it instead of looking at going into other areas to duplicate these services.

REIERSON: There is no duplication. We're looking at incorporating these as part of the delivery system.

SENATOR SOLBERG: How are we going to get enough people to train?

REIERSON: The Task Force talked about that. We're looking at ways to train our kids and to keep them, as well as attract those from out-of-state.

SENATOR NETHING: Assigned the bill to a subcommittee: Senator Holmberg, Chair; Senator Grindberg, Senator Lindaas and **closed the hearing** on reengrossed HB 1443. (tape 2, B 1360)

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3/31/99 tape 2, A, 1-665

SENATOR NETHING: Reopened the hearing on reengrossed HB 1443.

SENATOR GRINDBERG: Presented and explained proposed amendment 90709.0303, and moved do pass the amendment.
SENATOR HOLMBERG: Seconded the motion.
ROLL CALL: Unanimous voice vote to do pass the amendment.

SENATOR GRINDBERG: Moved do pass reengrossed HB 1443, as amended.
SENATOR LINDAAS: Seconded the motion.
ROLL CALL: 14 yeas; 0 nays; 0 absent & not voting
MOTION CARRIED TO DO PASS REENGROSSED HB 1443, AS AMENDED.
CARRIER: SENATOR GRINDBERG
SENATOR NETHING: Closed the hearing on HB 1443.

HB 1443
3/9/99 Kringstad

PROPOSED AMENDMENTS TO SECOND ENGROSSMENT WITH SENATE AMENDMENTS TO REENGROSSED HOUSE BILL 1443

Page 4, line 29, replace "$5,000" with $1,000,000".

Renumber accordingly

Prepared by the Legislative Council staff for
Senator Grindberg
March 29, 1999

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1443

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact five new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institutions of higher education; to repeal section 15-11-02.1 of the North Dakota Century Code, relating to supervision of the college at Devils Lake; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 6 of section 15-10-01 of the North Dakota Century Code is amended and reenacted as follows:

6. The following ~~junior~~ colleges ~~and off-campus educational center~~: Bismarck state college, ~~university of North Dakota -~~ Lake Region state college, and ~~the university of North Dakota -~~ Williston ~~center~~ state college.

SECTION 2. AMENDMENT. Subsection 13 of section 15-10-17 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

13. To establish a retirement program as an alternative to chapter 15-39.1 for employees of institutions under its control, subject to the following guidelines:

    a. Benefits under the program ~~shall~~ must be provided through annuity contracts purchased by the board but which ~~shall~~ become the property of the participants;

    b. The cost of the annuity contracts ~~shall~~ must be defrayed by contributions made pursuant to rules of the state board of higher education;

    c. Eligible employees appointed before July 1, 1973, shall participate in the alternate retirement program only by their individual election. When the electing eligible employee is a member of the teachers' fund for retirement, the employee's assessments and employer's contributions together with interest credited at the current rate for one-year certificates then being paid by the Bank of North Dakota ~~shall~~ must be transferred to the employee's account in the alternate program. ~~Such~~ The election ~~shall~~ must be made ~~prior to~~ before July 1, 1980, and shall relinquish all rights the eligible employee or the employee's beneficiary may have to benefits provided in chapters 15-39 and 15-39.2;

    d. Employees of Bismarck state college and ~~university of North Dakota -~~ Lake Region state college coming under the jurisdiction of the board who are members of the teachers' fund for retirement may elect ~~prior to~~ before July 1, 1985, to continue membership in the teachers' fund for retirement in lieu of the alternate retirement program. If an employee does not elect to continue membership in the teachers' fund for retirement, membership in that fund will terminate and the employee will become a member of the alternate retirement program

established by the board effective July 1, 1985. An employee of ~~the above-named~~ these colleges who becomes a member of the alternate retirement program may elect ~~prior to~~ before July 1, 1985, to have the employee's assessments and employer's contributions in the teachers' fund for retirement with interest transferred by the board of trustees of the teachers' fund for retirement to the employee's account in the alternate retirement program. If an employee elects to transfer the employee's assessment and employer's contributions together with interest to the alternate retirement program, the employee relinquishes all rights the employee or the employee's beneficiary may have to benefits provided in chapters 15-39, 15-39.1, and 15-39.2; and

e. Employees of institutions under the control of the state board of higher education who are members of the public employees retirement system and who become entitled to participate in the alternate retirement program are entitled to a special annuity purchase in the alternate retirement program in accordance with this subdivision. An eligible employee who consents to have that employee's contribution included is entitled to have that employee's contribution and employer's contribution, with interest, in the public employees retirement system fund, used by the retirement board of the public employees retirement system to purchase for that employee an annuity in the alternate retirement program in lieu of any other rights under the public employees retirement fund. However, before the employer's contribution may be used for an annuity purchase, the employee's combined years of service with the public employees retirement system and the alternate retirement program must equal or exceed the years of service necessary to be eligible for retirement benefits under the public employees retirement system. An employee who transferred from the public employees retirement system ~~prior to~~ before March 30, 1987, and who received a refund of that employee's contribution is entitled to have the employer's contribution, with interest, used to purchase an annuity even if that employee did not purchase an annuity in the alternate employee program with the employee's contribution. If an employee makes the election allowed under this subdivision, that employee relinquishes all rights the employee or any of the employee's beneficiaries may have had to benefits provided under chapter 54-52.

The board shall provide for the administration of the alternate retirement program and establish rules ~~therefor~~ for the program consistent with ~~the foregoing guidelines~~ this subsection. ~~Nothing in this~~ This subsection ~~shall be construed in derogation of~~ does not derogate any existing retirement programs approved by the board.

SECTION 3. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Institution to serve work force needs. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall establish a division or other unit within the institution to serve the work force needs of business and industry and to serve as a broker in arranging the delivery of training.

SECTION 4. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Work force training board - Formation. Subject to state board of higher education policies, the president of an institution of higher education that is assigned

primary responsibility for work force training shall appoint a work force training board consisting of representatives from businesses, labor, and industries located within the institution's delivery area. The work force training board must consist of at least seven but no more than fifteen members and must include at least one representative from either an Indian-owned business, the tribal government, or the tribal colleges within the designated region.

SECTION 5. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Preparation of business plan - Revolving loans. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall prepare an annual business plan that must include provisions for use of the training capacity of the tribal colleges within the designated region, in consultation with the work force training board. The work force training board shall approve the business plan and make recommendations for funding of the business plan to the state board of higher education. The state board of higher education may establish for each institution of higher education assigned primary responsibility for work force training a revolving loan fund for work force training program startups using the borrowing authority provided in section 15-10-16.1.

SECTION 6. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Performance measurements for work force training. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall develop, in consultation with the work force training board, performance measurements for work force training. The measurements must include requirements for being time sensitive and results oriented and must determine how well the training needs of business and industry are being met.

SECTION 7. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Work force training - Investment fee.

1. Except for employers with fewer than fifteen employees and public school districts, job service North Dakota shall assess each employer a work force training investment fee of four one-hundredths of one percent of taxable wages paid by the employer to employees during each calendar year. The work force training investment fee is a fee separate from contributions made under chapter 52-04 and may not be deposited in the unemployment compensation fund. Job service shall assess the fee on an annual basis and may assess the fee in the same manner as it collects contributions and taxable wages reported by reimbursing employers under chapter 52-04. The work force training investment fee payments may not be included in computing unemployment compensation rates assigned to employers and may not be deducted by an employer from the wages of the employer's employees.

2. Funds collected under this section must be deposited in a work force training investment account and used to provide work force training programs at institutions of higher education that are assigned primary responsibility for work force training as defined by the state board of higher education. Administrative costs incurred by job service for collection of the work force training investment fee and for costs related to the establishment and maintenance of the work force training investment account must be paid from the work force training investment account. The funds may not be used by institutions of higher education for capital construction projects. The funds must be used to provide work force

training, including operation and administration of a training division, acquisition of equipment, marketing, and program development. The institutions of higher education, job service, the work force 2000 advisory board and the tribal colleges in the state shall cooperate in addressing work force training needs in the state.

3. The state board of higher education shall establish up to four regions reflecting the geographical areas of work force training responsibility for the institutions of higher education eligible for funds under this section. Funds collected under this section must be allocated for use in the region of the state in which the funds were collected based upon covered employment, as defined by job service, in that region of the state.

4. Each institution of higher education providing a work force training program shall submit a report annually to the legislative council, the governor, the state board of higher education, the state board for vocational and technical education, and the North Dakota work force development council regarding the work force training programs receiving funds under this section.

SECTION 8. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $375,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training in this state for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 9. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $71,000, or so much of the sum as may be necessary, to job service North Dakota for the purpose of creating the collection structure and administering collection of the work force training investment fee for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 10. APPROPRIATION. There is hereby appropriated out of any moneys in the work force training investment account, not otherwise appropriated, the sum of $1,500,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 11. APPROPRIATION. There is hereby appropriated out of any moneys in the work force training investment account, not otherwise appropriated, the sum of $40,000, or so much of the sum as may be necessary, to job service North Dakota for the purpose of administering the collection of the work force training investment fee for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 12. REPEAL. Section 15-11-02.1 of the North Dakota Century Code is repealed."

Renumber accordingly

Adopted by Senate Appropriations Committee
March 31, 1999

3/31/99
1 of 4

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1443

SENATE AMENDMENTS TO REENGR. HB 1443 APPROP. 3/31/99

In lieu of the amendments adopted by the Senate as printed on page 644 of the Senate Journal, Reengrossed House Bill No. 1443 is amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact five new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institutions of higher education; to repeal section 15-11-02.1 of the North Dakota Century Code, relating to supervision of the college at Devils Lake; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 6 of section 15-10-01 of the North Dakota Century Code is amended and reenacted as follows:

6. The following ~~junior~~ colleges ~~and off-campus educational center~~: Bismarck state college, ~~university of North Dakota -~~ Lake Region state college, and ~~the university of North Dakota -~~ Williston ~~center~~ state college.

SECTION 2. AMENDMENT. Subsection 13 of section 15-10-17 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

13. To establish a retirement program as an alternative to chapter 15-39.1 for employees of institutions under its control, subject to the following guidelines:

    a. Benefits under the program ~~shall~~ must be provided through annuity contracts purchased by the board but which ~~shall~~ become the property of the participants;

    b. The cost of the annuity contracts ~~shall~~ must be defrayed by contributions made pursuant to rules of the state board of higher education;

    c. Eligible employees appointed before July 1, 1973, shall participate in the alternate retirement program only by their individual election. When the electing eligible employee is a member of the teachers' fund for retirement, the employee's assessments and employer's contributions together with interest credited at the current rate for one-year certificates then being paid by the Bank of North Dakota ~~shall~~ must be transferred to the employee's account in the alternate program. ~~Such~~ The election ~~shall~~ must be made ~~prior to~~ before July 1, 1980, and shall relinquish all rights the eligible employee or the employee's beneficiary may have to benefits provided in chapters 15-39 and 15-39.2;

    d. Employees of Bismarck state college and ~~university of North Dakota -~~ Lake Region state college coming under the jurisdiction of the board who are members of the teachers' fund for retirement may elect ~~prior to~~ before July 1, 1985, to continue membership in the teachers' fund for retirement in lieu of the alternate retirement program. If an employee does not elect to continue membership in the teachers' fund

for retirement, membership in that fund will terminate and the employee will become a member of the alternate retirement program established by the board effective July 1, 1985. An employee of ~~the above-named~~ these colleges who becomes a member of the alternate retirement program may elect ~~prior to~~ before July 1, 1985, to have the employee's assessments and employer's contributions in the teachers' fund for retirement with interest transferred by the board of trustees of the teachers' fund for retirement to the employee's account in the alternate retirement program. If an employee elects to transfer the employee's assessment and employer's contributions together with interest to the alternate retirement program, the employee relinquishes all rights the employee or the employee's beneficiary may have to benefits provided in chapters 15-39, 15-39.1, and 15-39.2; and

e. Employees of institutions under the control of the state board of higher education who are members of the public employees retirement system and who become entitled to participate in the alternate retirement program are entitled to a special annuity purchase in the alternate retirement program in accordance with this subdivision. An eligible employee who consents to have that employee's contribution included is entitled to have that employee's contribution and employer's contribution, with interest, in the public employees retirement system fund, used by the retirement board of the public employees retirement system to purchase for that employee an annuity in the alternate retirement program in lieu of any other rights under the public employees retirement fund. However, before the employer's contribution may be used for an annuity purchase, the employee's combined years of service with the public employees retirement system and the alternate retirement program must equal or exceed the years of service necessary to be eligible for retirement benefits under the public employees retirement system. An employee who transferred from the public employees retirement system ~~prior to~~ before March 30, 1987, and who received a refund of that employee's contribution is entitled to have the employer's contribution, with interest, used to purchase an annuity even if that employee did not purchase an annuity in the alternate employee program with the employee's contribution. If an employee makes the election allowed under this subdivision, that employee relinquishes all rights the employee or any of the employee's beneficiaries may have had to benefits provided under chapter 54-52.

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funds may not be used by institutions of higher education for capital construction projects. The funds must be used to provide work force training, including operation and administration of a training division, acquisition of equipment, marketing, and program development. The institutions of higher education, job service, the work force 2000 advisory board and the tribal colleges in the state shall cooperate in addressing work force training needs in the state.

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4. Each institution of higher education providing a work force training program shall submit a report annually to the legislative council, the governor, the state board of higher education, the state board for vocational and technical education, and the North Dakota work force development council regarding the work force training programs receiving funds under this section.

SECTION 8. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $375,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training in this state for the biennium beginning July 1, 1999, and ending June 30, 2001.

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SECTION 12. REPEAL. Section 15-11-02.1 of the North Dakota Century Code is repealed."

Renumber accordingly

Date: 3-31-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Reengrossed HB 1443

Senate APPROPRIATIONS Committee

☐ Subcommittee on

or

☐ Conference Committee

✓ Legislative Council Amendment Number 90709.0303 4

Action Taken DO PASS

Motion Made By Senator GRINDBERG Seconded By Senator HOLMBERG

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman					
Senator Naaden, Vice Chairman					
Senator Solberg					
Senator Lindaas					
Senator Tallackson					
Senator Tomac					
Senator Robinson					
Senator Krauter					
Senator St. Aubyn					
Senator Grindberg					
Senator Holmberg					
Senator Kringstad					
Senator Bowman					
Senator Andrist					

Total (Yes) VOICE VOTE - UNANIMOUS No

Absent

Floor Assignment Senator

If the vote is on an amendment, briefly indicate intent:

Date: 3-3-99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Reengrossed HB 1443

Senate APPROPRIATIONS Committee

☐ Subcommittee on

or

☐ Conference Committee

Legislative Council Amendment Number 90709.0304

Action Taken DO PASS AS AMENDED

Motion Made By Senator Grindberg Seconded By Senator Lindaas

Senators	Yes	No	Senators	Yes	No
Senator Nething, Chairman	✓				
Senator Naaden, Vice Chairman	✓				
Senator Solberg	✓				
Senator Lindaas	✓				
Senator Tallackson	✓				
Senator Tomac	✓				
Senator Robinson	✓				
Senator Krauter	✓				
Senator St. Aubyn	✓				
Senator Grindberg	✓				
Senator Holmberg	✓				
Senator Kringstad	✓				
Senator Bowman	✓				
Senator Andrist	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Senator Grindberg

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1443, as reengrossed and amended: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1443, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the Senate as printed on page 644 of the Senate Journal, Reengrossed House Bill No. 1443 is amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact five new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institutions of higher education; to repeal section 15-11-02.1 of the North Dakota Century Code, relating to supervision of the college at Devils Lake; and to provide an appropriation.

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SECTION 1. AMENDMENT. Subsection 6 of section 15-10-01 of the North Dakota Century Code is amended and reenacted as follows:

6. The following ~~junior~~ colleges ~~and off-campus educational center~~: Bismarck state college, ~~university of North Dakota -~~ Lake Region state college, and ~~the university of North Dakota -~~ Williston ~~center~~ state college.

SECTION 2. AMENDMENT. Subsection 13 of section 15-10-17 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

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    a. Benefits under the program ~~shall~~ must be provided through annuity contracts purchased by the board but which ~~shall~~ become the property of the participants;

    b. The cost of the annuity contracts ~~shall~~ must be defrayed by contributions made pursuant to rules of the state board of higher education;

    c. Eligible employees appointed before July 1, 1973, shall participate in the alternate retirement program only by their individual election. When the electing eligible employee is a member of the teachers' fund for retirement, the employee's assessments and employer's contributions together with interest credited at the current rate for one-year certificates then being paid by the Bank of North Dakota ~~shall~~ must be transferred to the employee's account in the alternate program. ~~Such~~ The election ~~shall~~ must be made ~~prior to~~ before July 1, 1980, and shall relinquish all rights the eligible employee or the employee's beneficiary may have to benefits provided in chapters 15-39 and 15-39.2;

    d. Employees of Bismarck state college and ~~university of North Dakota -~~ Lake Region state college coming under the jurisdiction of the board who are members of the teachers' fund for retirement may elect ~~prior to~~ before July 1, 1985, to continue membership in the teachers' fund

for retirement in lieu of the alternate retirement program. If an employee does not elect to continue membership in the teachers' fund for retirement, membership in that fund will terminate and the employee will become a member of the alternate retirement program established by the board effective July 1, 1985. An employee of ~~the above-named~~ these colleges who becomes a member of the alternate retirement program may elect ~~prior to~~ before July 1, 1985, to have the employee's assessments and employer's contributions in the teachers' fund for retirement with interest transferred by the board of trustees of the teachers' fund for retirement to the employee's account in the alternate retirement program. If an employee elects to transfer the employee's assessment and employer's contributions together with interest to the alternate retirement program, the employee relinquishes all rights the employee or the employee's beneficiary may have to benefits provided in chapters 15-39, 15-39.1, and 15-39.2; and

e. Employees of institutions under the control of the state board of higher education who are members of the public employees retirement system and who become entitled to participate in the alternate retirement program are entitled to a special annuity purchase in the alternate retirement program in accordance with this subdivision. An eligible employee who consents to have that employee's contribution included is entitled to have that employee's contribution and employer's contribution, with interest, in the public employees retirement system fund, used by the retirement board of the public employees retirement system to purchase for that employee an annuity in the alternate retirement program in lieu of any other rights under the public employees retirement fund. However, before the employer's contribution may be used for an annuity purchase, the employee's combined years of service with the public employees retirement system and the alternate retirement program must equal or exceed the years of service necessary to be eligible for retirement benefits under the public employees retirement system. An employee who transferred from the public employees retirement system ~~prior to~~ before March 30, 1987, and who received a refund of that employee's contribution is entitled to have the employer's contribution, with interest, used to purchase an annuity even if that employee did not purchase an annuity in the alternate employee program with the employee's contribution. If an employee makes the election allowed under this subdivision, that employee relinquishes all rights the employee or any of the employee's beneficiaries may have had to benefits provided under chapter 54-52.

The board shall provide for the administration of the alternate retirement program and establish rules ~~therefor~~ for the program consistent with ~~the foregoing guidelines~~ this subsection. ~~Nothing in this~~ This subsection ~~shall be construed in derogation of~~ does not derogate any existing retirement programs approved by the board.

SECTION 3. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Institution to serve work force needs. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall establish a division or other unit

within the institution to serve the work force needs of business and industry and to serve as a broker in arranging the delivery of training.

SECTION 4. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Work force training board - Formation. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall appoint a work force training board consisting of representatives from businesses, labor, and industries located within the institution's delivery area. The work force training board must consist of at least seven but no more than fifteen members and must include at least one representative from either an Indian-owned business, the tribal government, or the tribal colleges within the designated region.

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Preparation of business plan - Revolving loans. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall prepare an annual business plan that must include provisions for use of the training capacity of the tribal colleges within the designated region, in consultation with the work force training board. The work force training board shall approve the business plan and make recommendations for funding of the business plan to the state board of higher education. The state board of higher education may establish for each institution of higher education assigned primary responsibility for work force training a revolving loan fund for work force training program startups using the borrowing authority provided in section 15-10-16.1.

SECTION 6. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Performance measurements for work force training. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall develop, in consultation with the work force training board, performance measurements for work force training. The measurements must include requirements for being time sensitive and results oriented and must determine how well the training needs of business and industry are being met.

SECTION 7. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Work force training - Investment fee.

1. Except for employers with fewer than fifteen employees and public school districts, job service North Dakota shall assess each employer a work force training investment fee of four one-hundredths of one percent of taxable wages paid by the employer to employees during each calendar year. The work force training investment fee is a fee separate from contributions made under chapter 52-04 and may not be deposited in the unemployment compensation fund. Job service shall assess the fee on an annual basis and may assess the fee in the same manner as it collects contributions and taxable wages reported by reimbursing employers under chapter 52-04. The work force training investment fee payments may not be included in computing unemployment compensation rates assigned to

employers and may not be deducted by an employer from the wages of the employer's employees.

2. Funds collected under this section must be deposited in a work force training investment account and used to provide work force training programs at institutions of higher education that are assigned primary responsibility for work force training as defined by the state board of higher education. Administrative costs incurred by job service for collection of the work force training investment fee and for costs related to the establishment and maintenance of the work force training investment account must be paid from the work force training investment account. The funds may not be used by institutions of higher education for capital construction projects. The funds must be used to provide work force training, including operation and administration of a training division, acquisition of equipment, marketing, and program development. The institutions of higher education, job service, the work force 2000 advisory board and the tribal colleges in the state shall cooperate in addressing work force training needs in the state.

3. The state board of higher education shall establish up to four regions reflecting the geographical areas of work force training responsibility for the institutions of higher education eligible for funds under this section. Funds collected under this section must be allocated for use in the region of the state in which the funds were collected based upon covered employment, as defined by job service, in that region of the state.

4. Each institution of higher education providing a work force training program shall submit a report annually to the legislative council, the governor, the state board of higher education, the state board for vocational and technical education, and the North Dakota work force development council regarding the work force training programs receiving funds under this section.

SECTION 8. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $375,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training in this state for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 9. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $71,000, or so much of the sum as may be necessary, to job service North Dakota for the purpose of creating the collection structure and administering collection of the work force training investment fee for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 10. APPROPRIATION. There is hereby appropriated out of any moneys in the work force training investment account, not otherwise appropriated, the sum of $1,500,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 11. APPROPRIATION. There is hereby appropriated out of any moneys in the work force training investment account, not otherwise appropriated, the

sum of $40,000, or so much of the sum as may be necessary, to job service North Dakota for the purpose of administering the collection of the work force training investment fee for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 12. REPEAL. Section 15-11-02.1 of the North Dakota Century Code is repealed."

Renumber accordingly

1999 HOUSE APPROPRIATIONS

HB 1443

CONFERENCE COMMITTEE

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1443

House Appropriations Committee

☐ Conference Committee

Hearing Date April 8, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-8.3
Committee Clerk Signature	Roxanne Hohl		

Minutes:

Chairman Poolman opened the discussion on House Bill 1443.

1A: .5 Senator Grindberg explained Senate changes/differences to House Bill 1443, went through each section of the bill.

1A: 4.1 Rep. Poolman said we need to discuss the other bill out there and how this relates to this particular bill. Maybe you could explain to the committee what differences there are in the funding mechanism and also this particular bill exempts companies under 15 and the other bill exempts them under 20 or 25 I believe. **Senator Grindberg** said it is 25. **Rep. Poolman** asked is the fee for businesses the same in this particular bill as it is in the other one. **Senator Grindberg** said it is different. **Rep. Poolman** said that is something this committee is going to have to work on then is reconciling those particular bills also.

1A: 4.7 Senator Grindberg said I will touch on Senate Bill 2404 and how that relates to this bill. There are some significant differences then House Bill 1443. They are primarily in the areas of 25 under. This bill has 15 and under and the four one hundredths of a percentage in House Bill 1443 and the three one hundredths in Senate Bill 2404. There are a couple more mechanical things in there: who distributes the funds - Department of Vocation has the authority to distribute up to 20%. The main language is in 1443.

1A: 6.0 Rep. Poolman asked in the Senate if there was any talk of exempting other types of employers. We also talked about public school districts and private schools and other segments of employers that wouldn't probably access work force training and probably can't afford to pay the fee. **Senator Grindberg** said I think we discussed both bills in testimony and the question was posed, "what if I never use the mechanism" and that question was asked of me and I answered it with the notion of how many actually access the unemployment fund. In my opinion

everyone should be contributing to the big picture of the state work force plan. Maybe we should exempt those following employers.

1A: 7.0 Rep. Hoffner said I believe Rep. Bernstein's amendment passed to exempt private elementary and secondary schools on 2404.

1A: 7.2 Rep. Poolman said I think the idea behind this particular committee is to maybe fold these two bills together somehow and decide which one we are going to use as a vehicle to implement the program and stick it all into one.

The meeting adjourned.

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1443

House Appropriations Committee

☑ Conference Committee

Hearing Date April 9, 1999

Tape Number	Side A	Side B	Meter #
1	x		0-6.3
Committee Clerk Signature	Roxanne Hone		

Minutes:

Chairman Poolman opened the Conference Committee on House Bill 1443.

1A: 0.8 Senator Grindberg walked through the differences between Senate Bill 2404 and House Bill 1443. Passed out amendment 90709.0305. Refer to tape for detailed explanation.

Meeting adjourned.

General Discussion

- ❑ Committee on Committees
- ❑ Rules Committee
- ❑ Confirmation Hearings
- ❑ Delayed Bills Committee
- ❑ House Appropriations
- ❑ Senate Appropriations
- ❑ Other

Date April 10, 1999			
Tape Number	Side A	B Side	Meter #
1	x		0-.7
Committee Clerk Signature	Paulette Grossman		

Minutes:

CONFERENCE COMMITTEE ON HOUSE BILL 1443

0.0 CHAIRMAN POOLMAN: opened conference committee with Grindberg, Holmberg, Robinson, Carlisle and Hoffner present.
.1 GRINDBERG: I would move the amendments handed out yesterday 2nd by Hoffner.
.3 POOLMAN: That the senate recedes from its amendments. The conference committee further amends with .0305. Any further discussion, if none the clerk will take the roll. The vote was 6 yes, 0 no, 0 absent.

Conference Committee Amendments to HB 1443

	1999-2001 Biennium HB 1443 0.03%	2001-2003 Biennium HB 1443 0.03%
Revenue		
All taxable wages	$ 1,627,000.00	$ 2,727,000.00
Exempt less than 25	$ (456,000.00)	$ (763,000.00)
Exempt public schools	$ (96,000.00)	$ (164,000.00)
Exempt parochial schools	$ (4,000.00)	$ (8,000.00)
General Fund Revenue (SBVTE)	$ 875,000.00	$ -
General Fund Revenue (JSND)	$ 71,000.00	
Maximum 1999-2001 Carryover		$ 71,000.00
TOTAL REVENUE	**$ 2,017,000.00**	**$ 1,863,000.00**
Expense		
Business plan impementation	$ 1,773,530.00	$ 2,274,169.00
state commitment	*$ 1,000,000.00*	*$ 1,350,000.00*
locally raised	*$ 773,530.00*	*$ 924,169.00*
Job Service		
Collection structure	$ 71,000.00	$ -
Collection administration	$ 40,000.00	$ 70,000.00
TOTAL EXPENSES	**$ 1,884,530.00**	**$ 2,344,169.00**
NET REVENUE/EXPENSE	**$ 132,470.00**	**$ (481,169.00)**
Appropriation		
General Fund (SBDTE)	$ 875,000.00	Unknown
General Fund (JSND)	$ 71,000.00	
Investment Account Fund	$ 1,000,000.00	
TOTAL APPROPRIATION	**$ 1,946,000.00**	
NET REVENUE/APPROPRIATION	**$ 71,000.00**	

joy johnston gnda 4/8/99

REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE) - 420

07398

(Bill Number) 1443 (, as (re)engrossed):

Your Conference Committee

For the Senate:	For the House:
GRINDBERG y	POOLMAN y
HOLMBERG y	CARLISLE y.
ROBINSON y	HOFFNER y.

☐ recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from) the (Senate/House) amendments on (SJ/HJ) page(s) 1024 - 1027
733/724 725/726 8724/8726 8723/8725

☐ and place _____ on the Seventh order.
727

☑ , adopt (further) amendments as follows, and place HB1443 on the Seventh order:

☐ having been unable to agree, recommends that the committee be discharged and a new committee be appointed.
690/515

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: 4/16/99

CARRIER: _____

LC NO. _____ : _____ of amendment

LC NO. _____ . _____ of engrossment

Emergency clause added or deleted _____

Statement of purpose of amendment _____

(1) LC (2) LC (3) DESK (4) COMM.

derived from federal funds, to job service North Dakota for the purpose of defraying its expenses, for the period beginning with the effective date of this Act and ending June 30, 1999, as follows:

Operating expenses	$707,580
Equipment	460,600
Total special funds	$1,168,180"

Page 1, line 22, replace "$1,000,676" with "$1,250,676"

Page 2, line 4, replace "expanding businesses, newly" with "training to assist expanding businesses, new businesses creating new jobs, training which requires substantive instruction resulting from the introduction of new technologies or equipment, or training related to significant changes in business operations or production methods."

Page 2, remove lines 5 through 7

Page 2, line 8, after "**FUNDS**" insert "**- REPORT TO BUDGET SECTION**"

Page 2, line 9, after the period insert "All earnings on the asbestos abatement fund are to be deposited in the asbestos abatement fund."

Page 2, line 11, after the period insert "Job service North Dakota shall report to the budget section on the status of its asbestos abatement project."

Page 2, after line 20, insert:

"**SECTION 9. EMERGENCY.** Section 3 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 380 - JOB SERVICE NORTH DAKOTA

CONFERENCE COMMITTEE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	CONFERENCE COMPARISON TO SENATE VERSION
Salaries and wages	$31,727,196	$31,186,659	$245,313	$31,431,972	$31,431,972	
Operating expenses	15,268,989	10,318,989	918,687	11,237,676	15,267,676	($4,030,000)
Equipment	887,100	887,100		887,100	887,100	
Capital improvements	493,553	493,553		493,553	493,553	
Grants	7,977,253	7,977,253		7,977,253	7,977,253	
Work Force 2000	2,000,676	1,000,676	250,000	1,250,676	2,000,676	(750,000)
Total all funds	$58,354,767	$51,864,230	$1,414,000	$53,278,230	$58,058,230	($4,780,000)
Less special funds	56,354,767	50,864,230	1,164,000	52,028,230	56,058,230	(4,030,000)
General fund	$2,000,000	$1,000,000	$250,000	$1,250,000	$2,000,000	($750,000)
FTE	390.40	387.40	3.00	390.40	390.40	0.00

Detail of Conference Committee changes to the House version includes:

	RESTORE SALARY FUNDING FROM CONTRACTING FEES	RESTORE A PORTION OF THE WORK FORCE 2000 FUNDING	RESTORE ASBESTOS SETTLEMENT PROCEEDS	REDUCE OASIS ADMINISTRATIVE FEE FUNDING	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages	$250,000			($4,687)	$245,313
Operating expenses	(250,000)		$1,170,000	(1,313)	918,687
Equipment					
Capital improvements					
Grants					
Work Force 2000		$250,000			250,000
Total all funds	$0	$250,000	$1,170,000	($6,000)	$1,414,000
Less special funds			1,170,000	(6,000)	1,164,000
General fund	$0	$250,000	$0	$0	$250,000
FTE	3.00	0.00	0.00	0.00	3.00

Conference Committee changes narrative:

This amendment restores three information technology positions and tra[illegible]50,000 of other funds from the operating expenses line item (contracted services) to salaries and [illegible].

The amendment also restores the $250,000 of general fund money for Work Force 2000 and $1,170,000 of asbestos settlement proceeds.

The amendment also reduces the administrative costs paid from the OASIS fund by $6,000, from $16,000 to $10,000.

The amendment also:

- Adds a requirement that Job Service report to the Budget Section on its asbestos abatement project; and
- Adds a section appropriating $1,168,180 of federal funds to Job Service North Dakota for the 1997-99 biennium for implementation of a one-step career center delivery system ($460,600) and to upgrade computer equipment and software for year 2000 issues ($707,580).

Engrossed HB 1017 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1131: Your conference committee (Sens. Cook, B. Stenehjem, Thompson and Reps. Mickelson, R. Kelsch, Mahoney) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ pages 1092-1093 and place HB 1131 on the Seventh order.

HB 1131 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1443, as reengrossed: Your conference committee (Sens. Grindberg, Holmberg, Robinson and Reps. Poolman, Carlisle, Hoffner) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1143-1147, adopt amendments as follows, and place HB 1443 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1143-1147 of the House Journal and pages 1024-1027 of the Senate Journal and that Reengrossed House Bill No. 1443 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact five new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institutions of higher education; to repeal section 15-11-02.1 of the North Dakota Century Code, relating to supervision of the college at Devils Lake; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 6 of section 15-10-01 of the North Dakota Century Code is amended and reenacted as follows:

6. The following ~~junior~~ colleges ~~and off-campus educational center~~: Bismarck state college, ~~university of North Dakota~~ Lake Region state college, and ~~the university of North Dakota~~ Williston ~~center~~ state college.

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b. The cost of the annuity contracts ~~shall~~ must be defrayed by contributions made pursuant to rules of the state board of higher education;

c. Eligible employees appointed before July 1, 1973, shall participate in the alternate retirement program only by their individual election. When the electing eligible employee is a member of the teachers' fund for retirement, the employee's assessments and employer's contributions together with interest credited at the current rate for one-year certificates then being paid by the Bank of North Dakota ~~shall~~ must be transferred to the employee's account in the alternate program. ~~Such~~ The election ~~shall~~ must be made ~~prior to~~ before July 1, 1980, and shall relinquish all rights the eligible employee or the employee's beneficiary may have to benefits provided in chapters 15-39 and 15-39.2;

d. Employees of Bismarck state college and ~~university of North Dakota - Lake Region~~ state college coming under the jurisdiction of the board who are members of the teachers' fund for retirement may elect ~~prior to~~ before July 1, 1985, to continue membership in the teachers' fund for retirement in lieu of the alternate retirement program. If an employee does not elect to continue membership in the teachers' fund for retirement, membership in that fund will terminate and the employee will become a member of the alternate retirement program established by the board effective July 1, 1985. An employee of ~~the above-named~~ these colleges who becomes a member of the alternate retirement program may elect ~~prior to~~ before July 1, 1985, to have the employee's assessments and employer's contributions in the teachers' fund for retirement with interest transferred by the board of trustees of the teachers' fund for retirement to the employee's account in the alternate retirement program. If an employee elects to transfer the employee's assessment and employer's contributions together with interest to the alternate retirement program, the employee relinquishes all rights the employee or the employee's beneficiary may have to benefits provided in chapters 15-39, 15-39.1, and 15-39.2; and

e. Employees of institutions under the control of the state board of higher education who are members of the public employees retirement system and who become entitled to participate in the alternate retirement program are entitled to a special annuity purchase in the alternate retirement program in accordance with this subdivision. An eligible employee who consents to have that employee's contribution included is entitled to have that employee's contribution and employer's contribution, with interest, in the public employees retirement system fund, used by the retirement board of the public employees retirement system to purchase for that employee an ~~annuity in the alternate retirement~~ program in lieu of any other rights under the public employees retirement fund. However, before the employer's contribution may be used for an annuity purchase, the employee's combined years of service with the public employees retirement system and the alternate retirement program must equal or exceed the years of service necessary to be eligible for retirement benefits under the public employees retirement system. An employee who transferred from the public employees retirement system ~~prior to~~ before March 30, 1987, and who received a refund of that employee's contribution is entitled to have the employer's contribution, with interest, used to purchase an annuity even if that employee did not purchase an annuity in the alternate employee program with the employee's contribution. If an employee makes the election allowed under this subdivision, that employee relinquishes all rights the employee or any of the employee's beneficiaries may have had to benefits provided under chapter 54-52.

The board shall provide for the administration of the alternate retirement program and establish rules ~~therefor~~ for the program consistent with ~~the foregoing guidelines~~ this subsection. ~~Nothing in this~~ This subsection ~~shall be construed in derogation of~~ does not derogate any existing retirement programs approved by the board.

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Preparation of business plan - Revolving loans. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall prepare an annual business plan that must include provisions for use of the training capacity of the tribal colleges within the designated region, in consultation with the work force training board. The work force training board shall approve the business plan and make recommendations for funding of the business plan to the state board of higher education. The state board of higher education may establish for each institution of higher education assigned primary responsibility for work force training a revolving loan fund for work force training program startups using the borrowing authority provided in section 15-10-16.1.

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Performance measurements for work force training. Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for work force training shall develop, in consultation with the work force training board, performance measurements for work force training. The measurements must include requirements for being time sensitive and results oriented and must determine how well the training needs of business and industry are being met.

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Work force training - Investment fee.

1. Except for employers with fewer than twenty-five employees and public and private elementary and secondary schools, job service North Dakota shall assess each employer a work force training investment fee of three one-hundredths of one percent of taxable wages paid by the employer to employees during each calendar year. The work force training investment fee is a fee separate from contributions made under chapter 52-04 and may not be deposited in the unemployment compensation fund. Job service shall assess the fee on an annual basis and may assess the fee in the same manner as it collects contributions and taxable wages reported by reimbursing employers under chapter 52-04. The work force training investment fee payments may not be included in computing unemployment compensation rates assigned to employers and may not be deducted by an employer from the wages of the employer's employees.

2. Funds collected under this section must be deposited in a work force training investment account and used to provide work force training programs at institutions of higher education that are assigned primary responsibility for work force training as defined by the state board of higher education. Administrative costs incurred by job service for collection of the work force training investment fee and for costs related to the

establishment and maintenance of the work force training investment account must be paid from the work force training investment account. The funds may not be used by institutions of higher education for capital construction projects. The funds must be used to provide work force training, including operation and administration of a training division, acquisition of equipment, marketing, and program development. The institutions of higher education, job service, the work force 2000 advisory board and the tribal colleges in the state shall cooperate in addressing work force training needs in the state.

3. The state board of higher education shall establish up to four regions reflecting the geographical areas of work force training responsibility for the institutions of higher education eligible for funds under this section. Funds collected under this section must be allocated for use in the region of the state in which the funds were collected based upon covered employment, as defined by job service, in that region of the state.

4. Each institution of higher education providing a work force training program shall submit a report annually to the legislative council, the governor, the state board of higher education, the state board for vocational and technical education, and the North Dakota work force development council regarding the work force training programs receiving funds under this section.

SECTION 8. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $875,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training in this state for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 9. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $71,000, or so much of the sum as may be necessary, to job service North Dakota for the purpose of creating the collection structure and administering collection of the work force training investment fee for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 10. APPROPRIATION. There is hereby appropriated out of any moneys in the work force training investment account, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 11. APPROPRIATION. There is hereby appropriated out of any moneys in the work force training investment account, not otherwise appropriated, the sum of $40,000, or so much of the sum as may be necessary, to job service North Dakota for the purpose of administering the collection of the work force training investment fee for providing work force training programs under this Act, for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 12. REPEAL. Section 15-11-02.1 of the North Dakota Century Code is repealed."

Renumber accordingly

Reengrossed HB 1443 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

REP. PRICE MOVED that the conference committee report on SB 2038 as printed on HJ pages 1341-1342 be adopted, which motion prevailed.

SB 2038, as amended, was placed on the Fourteenth order.

SECOND READING OF SENATE BILL

SB 2038: A BILL for an Act to provide for reports to the legislative council regarding the establishment of a traumatic brain-injured facility.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Belter; Berg; Boehm; Boucher; Brandenburg; Brekke; Brusegaard; Byerly; Carlisle; Carlson; Clark; Cleary; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Disrud; Dorso; Drovdal; Eckre; Ekstrom; Fairfield; Froelich; Froseth; Glassheim; Gorder; Grosz; Grumbo; Gulleson; Gunter; Haas; Hanson; Hawken; Henegar; Herbel; Hoffner; Huether; Jensen; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Klein; Klemin; Kliniske; Koppang; Koppelman; Kroeber; Lemieux; Lloyd; Lundgren; Mahoney; Maragos; Martinson; Metcalf; Meyer; Monson; Mueller; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Nowatzki; Pollert; Poolman; Porter; Price; Rennerfeldt; Rose; Sandvig; Schmidt; Severson; Solberg; Stefonowicz; Svedjan; Sveen; Thoreson, B.; Thoreson, L.; Thorpe; Timm; Tollefson; Warner; Weisz; Wentz; Wikenheiser; Winrich; Speaker Wald

ABSENT AND NOT VOTING: Bernstein; Galvin; Grande; Mickelson; Renner

SB 2038, as amended, passed and the title was agreed to.

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REPORT OF CONFERENCE COMMITTEE

REP. DEVLIN MOVED that the conference committee report on Engrossed SB 2171 as printed on HJ page 1342 be adopted, which motion prevailed.

Engrossed SB 2171, as amended, was placed on the Fourteenth order.

SECOND READING OF SENATE BILL

SB 2171: A BILL for an Act to create and enact three new sections to chapter 27-20, two new subsections to section 50-09-01, five new subsections to section 50-09-02, two new subsections to 50-09-03, a new section to chapter 50-09, two new sections to chapter 50-11, two new chapters to title 50, and a new section to chapter 50-12 of the North Dakota Century Code, relating to implementing the Adoption and Safe Families Act of 1997 and the interstate compact on adoption and medical assistance; to amend and reenact subsection 4 of section 14-15-11, subsection 2 of section 14-15.1-04, sections 27-20-02, 27-20-03, 27-20-30, 27-20-36, 27-20-38, 27-20-44, 27-20-45, 27-20-46, 27-20-47, 27-21-02.1, and 50-11-06.8 of the North Dakota Century Code, relating to implementing the Adoption and Safe Families Act of 1997; and to provide for a legislative council study.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 94 YEAS, 0 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Belter; Berg; Boehm; Boucher; Brandenburg; Brekke; Brusegaard; Byerly; Carlisle; Carlson; Clark; Cleary; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Disrud; Dorso; Drovdal; Eckre; Ekstrom; Fairfield; Froelich; Froseth; Glassheim; Gorder; Grosz; Grumbo; Gulleson; Gunter; Haas; Hanson; Hawken; Henegar; Herbel; Hoffner; Huether; Jensen; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Klein; Klemin; Kliniske; Koppang; Koppelman; Kroeber; Lemieux; Lloyd; Lundgren; Mahoney; Maragos; Martinson; Metcalf; Meyer; Mickelson; Monson; Mueller; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Nowatzki; Pollert; Poolman; Porter; Price; Rennerfeldt; Rose; Sandvig; Schmidt; Severson; Solberg; Stefonowicz; Svedjan; Sveen; Thoreson, B.; Thoreson, L.; Thorpe; Timm; Tollefson; Warner; Weisz; Wentz; Wikenheiser; Winrich; Speaker Wald

ABSENT AND NOT VOTING: Bernstein; Galvin; Grande; Renner

Engrossed SB 2171, as amended, passed and the title was agreed to.

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REPORT OF CONFERENCE COMMITTEE

REP. CARLSON MOVED that the conference committee report on Engrossed HB 1020 as printed on HJ pages 1346-1347 be adopted, which motion prevailed.

Reengrossed HB 1020 was placed on the Eleventh order.

1999 TESTIMONY

HB 1443

Representative John Dorso
District 46
1121 26th Avenue South
Fargo, ND 58103-5728

NORTH DAKOTA
HOUSE OF REPRESENTATIVES

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360

House Majority
Leader

TESTIMONY
HB 1443
REPRESENTATIVE JOHN DORSO
EDUCATION COMMITTEE
2-3-99 1:00 PM

MADAM CHAIR AND MEMBERS OF THE EDUCATION COMMITTEE:

FOR THE RECORD I'M REPRESENTATIVE JOHN DORSO AND I AM THE PRIMARY SPONSOR OF HB 1443. THE REASON I'M SPONSORING THIS BILL IS BECAUSE IN NOVEMBER OF 1997, DR. DAVID BIRCH TOLD THE NORTH DAKOTA BUSINESS CONFERENCE "YOU'VE DONE A REMARKABLE JOB OF CHANGING YOUR FUTURE" - "CREATING 40,000 JOBS". HOWEVER, YOU HAVE A NEW CHALLENGE: "TO BUILD A WORLD-CLASS WORK FORCE".

TODAY WE NOT ONLY NEED TO BUILD THAT WORK FORCE BUT WE ALSO MUST MAINTAIN IT. I DON'T BELIEVE THAT WE AS A STATE HAVE THE DELIVERY SYSTEM IN PLACE TO ACCOMPLISH THAT TASK.

RECOGNIZING THE NEED TO RETHINK THE DELIVERY OF WORK FORCE TRAINING, A TASK FORCE WAS FORMED, CHAIRED BY ROGER REIERSON, PRESIDENT OF FLINT COMMUNICATIONS. THE TASK FORCE CONSISTED OF 31 INDIVIDUALS REPRESENTING THE GOVERNOR'S OFFICE, LEGISLATIVE LEADERSHIP, BUSINESS, EDUCATION AND GOVERNMENT. GNDA ACCEPTED AN INVITATION TO COORDINATE THE WORK OF THE TASK FORCE REGARDING WORK FORCE TRAINING AND PREPARE RECOMMENDATIONS FOR CONSIDERATION BY THE 1999 LEGISLATIVE SESSION.

THE TASK FORCE WAS FACILITATED BY MR. STEVE OVEL, EXECUTIVE DIRECTOR, GOVERNMENTAL RELATIONS, KIRKWOOD COMMUNITY

Task force

COLLEGE, CEDAR RAPIDS, IOWA. KIRKWOOD IS CONSIDERED ONE OF THE PREMIER EXAMPLES OF A DELIVERY SYSTEM THAT WORKS. USING KIRKWOOD AND MR. OVEL AS A BASE, THE TASK FORCE WAS ABLE TO DEVELOP A PLAN THAT CONTAINS THE FOUR PRIMARY SUCCESS CHARACTERISTICS FOUND AMONG SUCCESSFUL PROGRAMS AROUND THE COUNTRY AND ONE THAT IS UNIQUE TO NORTH DAKOTA NEEDS. THE RECOMMENDATIONS FOR THE NEW DELIVERY SYSTEM ARE INCLUDED IN THE PLAN FIRST PRESENTED DURING THE NORTH DAKOTA BUSINESS CONFERENCE ON NOVEMBER 17, 1998, WHICH YOU HAVE BEFORE YOU.

I TRULY BELIEVE THAT THE BILL IN FRONT OF YOU IS THE START OF THAT BETTER DELIVERY SYSTEM. TODAY WE HAVE THE BUSINESS LEADERS AND LEADERS OF OUR EDUCATIONAL SYSTEM WILLING TO WORK TOGETHER TO GET US TO THAT "WORLD CLASS WORK FORCE".

I URGE YOU TO SUPPORT HB 1443.

THANK YOU

Task Force for Improving Workforce
Development and Training

STATEMENT BY ROGER REIERSON, CHAIRMAN, TASK FORCE FOR IMPROVING WORKFORCE DEVELOPMENT AND TRAINING AND PRESIDENT, FLINT COMMUNICATIONS, FARGO, REGARDING HB 1443, NORTH DAKOTA HOUSE EDUCATION COMMITTEE, FEBRUARY 3, 1999.

Madam Chair Kelsch and members of the House Education Committee. I am Roger Reierson, Chairman, Task Force for Improving Workforce Development and Training and President, Flint Communications, Fargo. Thank you for this opportunity to provide testimony in support of HB 1443.

HISTORICAL

During the past 10 years, the North Dakota Legislature has enacted a large number of measures to help North Dakota be more competitive in a new, global marketplace. Dr. David Birch told the North Dakota Business Conference in November 1997, in assessing the progress North Dakota has made since 1986, that "You've done a remarkable job of changing your future,"..."creating over 40,000 jobs." However, you have a new challenge: "to build a world-class workforce." The Wall Street Journal in its December 28, 1998, issue in discussing economic development and workforce training stated: "To compensate for those losses, the southern states spent millions on mammoth incentive packages to lure new industries to the region. The region also invested heavily in flexible community-college systems that could tailor classes to the needs of new industries." This is what we are attempting to do with this new workforce training delivery system.

BUILDING A WORLD-CLASS WORKFORCE

A Task Force was formed. The Task Force consisted of individuals representing the governor's office, legislative leadership, business, education and government. The Task Force spent six months examining North Dakota's workforce training system, researching the best practices of other states and soliciting advice and assistance from one of the premier workforce training systems in the nation. I call your attention to the Task Force makeup. As you observe, the diversity

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of the group is great. The outcome of this diverse group is impressive. I had the privilege to serve as the Task Force Chairman. GNDA accepted an invitation to coordinate the work of the Task Force regarding workforce training and prepare recommendations for consideration by the 1999 North Dakota Legislative Session.

The Task Force was facilitated by Mr. Steve Ovel, Executive Director, Governmental Relations, Kirkwood Community College, Cedar Rapids, Iowa. Kirkwood Community College is considered one of the premier examples of a delivery system in the United States that works. The group spent six months examining North Dakota's workforce training system. Based on their research, the group concluded that major changes are needed to meet the workforce training demands for business and industry. The Task Force developed a plan that the Task Force believes will meet the needs of North Dakota business and industry.

THE PLAN

The new workforce training system being developed in North Dakota involves a major change in how workforce training will be provided. The new system is built around a single goal and four key components.

The goal of the new plan is to provide business and industry in North Dakota with the most competitive workforce in the nation.

The new plan defines four primary success characteristics for workforce training found among successful programs around the country. They are defined service regions, primary responsibility, financial support and collaborative relationships.

The detailed recommendations for the new delivery system are included in the plan first presented during the North Dakota Business Conference on November 17, 1998, and which has been distributed to you and your legislative colleagues during the past two months.

I call your attention to the handout entitled "Description of the New Workforce Training System in North Dakota." I will briefly take you through the major features of this new, innovative plan.

I. Key Components of the New System

A. Designated Service Regions

There will be four delivery regions in the state defined by the boundaries of the State Planning Regions. The four delivery regions will result from combining State Planning Regions 1 & 2, 3 & 4, 5 & 6, and 7 & 8. Please note map as the last page of the handout.

B. Primary Responsibility

The following colleges will be assigned primary responsibility for workforce training in each of the four regions:

- NW Region (State Planning Regions 1 & 2) – UND-Williston
- SW Region (State Planning Regions 7 & 8) – Bismarck State College
- NE Region (State Planning Regions 3 & 4) – UND-Lake Region
- SE Region (State Planning Regions 5 & 6) – North Dakota State College of Science

Special unit A special unit (workforce training division) within each of these four colleges will be created that is specifically designed to serve the needs of business and industry. The divisions will be charged with being customer driven, entrepreneurial, responsive, time sensitive, flexible, risk oriented, quality driven, leadership driven, change oriented and accountable.

C. Financial Support

Financial support for the new workforce training system will be from a combination of state, local, institution, and private sources. In addition, a revolving loan fund for training program start-up funds will be established. Access to this revolving loan fund by workforce training divisions will be quick and efficient.

D. Collaborative Relationships

Strong partnerships among various agencies and also strong partnerships between education institutions providing training and individual businesses being served will be developed.

II. The Two Major Functions of Workforce Training

A. Field Activities Function

This function consists of contacting business and industry, getting to know their training needs, developing trusting and effective working relationships, and arranging training. This function also consists of working closely with local development organizations, vocational centers, high schools that have training programs, private sector trainers, and other state and local agencies involved in workforce training in the community and region.

<u>Primary responsibility</u> The two-year colleges listed earlier will have primary responsibility for this function of workforce training.

B. Delivery of Training Function

This function includes the actual instructing or training for business and industry. It represents "the content component" and draws upon the resources available throughout North Dakota as well as from sources outside the state. It includes the expertise from the various centers of specialization within the University System, vocational centers and high schools, and also the expertise within other public agencies and organizations and the private sector.

<u>Primary responsibility</u> All colleges within the University System, as well as trainers from other public and private colleges and organizations, will be involved in the actual delivery of training.

III. How the New System Will Work

A. Field activities function

The workforce training divisions of the two-year colleges listed will employ field staff (workforce training managers)

who will be responsible for contacting business and industry, developing effective working relationships, determining training needs and arranging training. These individuals will operate from locations within the respective service regions which are the most cost-effective, convenient and accessible to business and industry. The location, time, and content of the training will be determined by the business and industry receiving the training.

B. Delivery of training

As each training need is determined, the training division of the college will collaborate with the four-year colleges and universities, and with other private and public training providers, in arranging the training. As such, the divisions will serve as brokers in arranging the delivery of training.

C. Local workforce training boards

The workforce training divisions will be locally driven through a local workforce training board for each designated region. The respective workforce training boards will function under the governing policies of the State Board of Higher Education.

D. College technical education council

The college technical education council will serve in a coordination and support role to the two-year colleges in developing and carrying out the workforce training functions.

D. Customized training network

The customized training network will provide support services to the new workforce training system. The support will include: assisting in developing and maintaining a data base, accessible by the Internet, of programs and trainers available, and; providing specialized training seminars and opportunities aimed at improving the skills of individuals working in the customized training field.

IV. Expectations and Benefits of the New System

The new workforce training system will provide a number of benefits to employers, employees, and communities in North Dakota. The more significant of the benefits include:

- **There will be a workforce training system that is much more coordinated, responsive and effective.**

- **Businesses will know who to contact to arrange training and will also know who has primary responsibility for workforce training in each region. The central contact and the entity with the primary responsibility will be the two-year college in the region.**

IMPLEMENTATION

The recommendations to implement the new delivery system for workforce training will be considered by North Dakota Legislature and the North Dakota Board of Higher Education. The items requiring legislative debate and action are contained in HB 1443, which you are hearing today. The North Dakota Board of Higher Education took positive action on the proposals in their area of responsibility during a telephone conference call meeting on January 28, 1999. The action taken by the Board of Higher Education will be discussed in more detail by Larry Isaak, Chancellor of the North Dakota University System.

The Major Features of HB 1433

HB 1443 consists of 8 sections. Section 1 is an amendment to create independent colleges at Williston and Devils Lake and change their name to Williston State College and Lake Region State College by de-coupling each from the University of North Dakota. Section 2 is an amendment to change the name reference to the University of North Dakota – Lake Region to Lake Region State College. Section 3 requires a college assigned primary responsibility for workforce training to establish a division within the institution to serve the workforce training needs of business and industry and to serve as a broker. Section 4 requires the president of an institution of higher education that is assigned primary responsibility for workforce training to form workforce training board consisting of representatives from business and industry. Section 5 requires the college assigned primary responsibility for workforce training to prepare an annual business plan in consultation with the local board and grants authority to the Board of Higher Education to establish a revolving loan fund for the colleges

assigned primary responsibility for workforce training. Section 6 requires the college assigned primary responsibility for workforce training to work with the local board in their service region to establish performance measurements for workforce training. Section 7 repeals section 15-11-02.1 of the North Dakota Century Code. This section provided for the supervision of the junior college at Devils Lake to receive supervision through the University of North Dakota. Section 8 provides for an appropriation of $1 million to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for workforce training to provide the framework for workforce training in North Dakota, for the biennium July 1, 1999 and ending June 30, 2001. This is the $1 million recommendation in Governor Schafer's budget address.

Proposed Amendments to HB 1433

We propose the following amendments to HB 1443 as introduced:

Page 1, line 5, overstrike "junior"

Page 1, line 10, overstrike "junior"

Page 3, line 22, after "needs." Insert "Subject to the state board of higher education policy,"

Page 3, line 23, after "division" Insert "or other unit"

Page 3, line 25, overstrike "delivering" Insert "arrange the delivery of"

Page 3, line 28, overstrike "advisory." Insert "workforce training"

Page 3, line 28, after "Formation." Insert "Subject to the state board of higher education policy,"

Page 3, line 29, overstrike "advisory." Insert "workforce training"

Page 4, line 1 overstrike "advisory." Insert "workforce training"

Page 4, line 5 after "loans." Insert "Subject to the state board of higher education policy,:

Page 4, line 7, overstrike "advisory." Insert "workforce training"

Page 4, line 8, overstrike "advisory." Insert "workforce training"

Page 4, line 15, after "training." Insert "Subject to the state board of higher education policy."
Page 4, line 17, overstrike "advisory." Insert "workforce training"

Support for the Plan

The Task Force has been very active in testing the new model. We received endorsement from Chambers of Commerce, Development Corporations, businesses and education. A copy of letters received through February 2, 1999, is attached to this testimony.

FUNDING

Funding sources is one of the four success factors identified in the plan. There is a wide array of funding mechanisms being used among states with successful workforce training systems. The most successful training programs have a combination of funding involving the state taking the lead with input from business and industry, county and city governments, and educational institutions.

Governor Schafer placed a high priority on workforce training during his budget address on December 10, 1998. Governor Schafer stated: "I recommend providing $2 million in new funding to the Department of Vocational Education to upgrade our workforce training plan. Companies need specialized training resources in this state. The Greater North Dakota Association coordinated a Task Force from education, business, government and industry to design the necessary plan."

Governor Schafer continues: "It's a good plan – a plan that builds on the existing resources of our higher education system. The workforce development system will foster partnerships between business and

education and make our universities more responsive to the demands of the marketplace."

Schafer concluded: "I strongly recommend funding this plan. Let's ignite this initiative and start training North Dakotans for the jobs of the future." Governor Schafer recommended $1 million in new general funding for workforce training in the State Board for Vocational and Technical Education Budget, HB 1020 for the 1999-2001 biennium.

The colleges assigned primary responsibility for workforce training developed business plans for the Task Force. The business plans were prepared through the leadership of the College Technical Education Council. The business plans outline statewide training needs, budgets for the 1999-2001 and service regions. The four colleges assigned primary responsibility for workforce training, project training revenue from business and industry of $1,918,000 for the 1999-2001 biennium. The projected institutional funds $313,900, regional funds is $773,530. The colleges assigned primary responsibility for workforce training must have the balance $1 million from the state general fund. This represents about 25 percent of the revenue for the 1999-2001 biennium.

The next logical step is building a world class workforce. There were a large number of people involved in every aspect of developing this plan. The need is so great that the broad based Task Force was able to move to consensus.

Thank you Madam Chair Kelsch and members of the House Education Committee for this opportunity to testify on behalf of the Task Force for Improving Workforce Development and Training in support of HB 1443. A number of people will be testifying on various aspects of the plan and may answer questions committee members may have. I will be available at their conclusion for any questions you have for me or I can take your questions now.

STATEMENT OF M. E. BUZZ SYRIA

HOUSE EDUCATION COMMITTEE

HB 1443-Workforce Training
Feb.3, 1999

Madame chair, members of the House Education Committee. I am M.E. Buzz Syria of Minot, a member of the steering committee of the Task Force for Improving Workforce Development and Training.
Mr. Goetz, Roger Reierson, Mel Olson, members of the university system and Dennis Johnson have given you a good overview and the specifics of the proposed workforce training program. I will not be redundant in my testimony but wish to convey to you how I see workforce training being an important link in the continued economic development of our state.
As a past chairman of the Greater North Dakota Association, the Minot Chamber of Commerce, the Minot Area Development Corporation and a member of Minot's Magic Fund, I have been involved for several years is furthering economic development in North Dakota, especially in northwestern North Dakota.
As I participated in these economic development efforts and worked with new and expanding businesses, I soon realized the importance of workforce training in expanding current businesses and bringing new businesses to our state, especially to my region of North Dakota.
We needed the trained workers to be available to industries, and we needed to be able to further train employees to serve small businesses in our state. I discovered having a workforce of hardworking people was no longer enough. They needed to be trained to handle the complex tasks required of employment in today's society. That is why I immediately said "yes" when asked to serve on the Task Force for Improving Workforce Development and Training.
Learning of the successes in workforce training at Kirkwood College really opened my eyes to what could be done by our educational system to provide the training to our state's workforce. I left our first task force meeting really enthused about what could be done if we immediately developed a plan and presented it to the North Dakota legislature.
Today, you have that plan which can be implemented through passage of HB 1443.
As part of the task force, I was co-chair of the administrative structure task team. We worked as a group establishing administration of the plan. That is why I believe formation of workforce training through four regions in the state is so vital. Having a program utilizing the colleges at Wahpeton, Devils Lake, Bismarck and Williston will bring the availability of workforce training close to home for small business employers in the Stanleys and Parshalls, in the Crosbys and Velvas. As well as in the larger cities. In other words, companies contacting a college close to home to find out what training is available and then determining where that training is located makes the program efficient and cost effective. That's important....efficient and cost effective. If this program is not efficient, is not cost effective, it won't be used.

The four region concept is much more efficient than having only one or two college locations available, perhaps a considerable distance from home.
These colleges close to home could then work with schools such as Minot State University and MSU-Bottineau and the other state colleges and universities. Work to determine if their specific workforce training expertise is what is needed for any single employer request. Just as importantly, these four colleges in these four regions will work just as closely with the employers as they do with their sister institutions to find the best training available to fit a particular need, no matter where that training is located.
The Minot Chamber of Commerce shares this view and that is why it enthusiastically endorses this workforce training program, as does Minot State University and MSU Bottineau. It will work for all of North Dakota....the small towns and the big cities.....and within all areas of the state. There are no geographic or size-of-community winners and losers. We can all be winners.
I urge your approval of this legislation so we can get to work on true workforce training of our employees for the economic betterment of North Dakota.
I thank you for your attention and would entertain any questions you might have.

TASK FORCE ON WORKFORCE DEVELOPMENT & TRAINING

A. STEERING COMMITTEE

Roger Reierson (Chairman)
Dale Anderson
Mel Olson
Jodi Uecker-Rust
Buzz Syria
Donna Thigpen

Eddie Dunn is the loaned executive and Steve Ovel is serving as consultant to the Steering Committee and Task Force.

B. TASK FORCE MEMBERS

Customized Training Network, Network Support Team:

Eddie Dunn*	Executive Director, College Technical Education Council, NDUS
Verlyn Fick*	Director, Outreach & Customized Training, NDSCS
Don Roloff*	Supervisor of Trade, Industry, Tech. Ed., & Custom Training, SBVTE

State Agencies Involved in Workforce Training:

Kevin Cramer	State Director, Dept. Economic Development & Finance
Jennifer Gladden*	Executive Director, Job Service North Dakota
Larry Isaak	Chancellor, North Dakota University System
Carol Olson	State Director, Department of Human Services
Mel Olson*	State Director, State Board for Vocational Technical Education
Randy Schwartz*	Deputy Director, State Department of Economic Development & Finance

Workforce Development Council:

Dennis Johnson	President, TMI & Chairman, ND Workforce Development Council
Jodi Uecker-Rust	Group Vice President, Great Plains Software Inc., & Member, NDWFDC

Fraine Zeitler*	Director, North Dakota Workforce Development Council

Private Sector:

Dale Anderson*	President, Greater ND Assn., State Chamber of Commerce
John Campbell*	President, Fargo-Moorhead Chamber of Commerce
Dave MacIver	President, Bismarck-Mandan Area Chamber & BSC Business Advisory Council
Roger Reierson	President, Flint Communications & Past Chairman of the Board, GNDA
Russ Staiger*	President, Bismarck-Mandan Development Association

(Also represented in other categories: Dennis Johnson, Jodi Uecker-Rust, Bill Marcil, Gary Nelson, John Dorso, Tim Mathern, Merle Boucher, Tony Grindberg, Mike Gustafson, Jack Hoeven and Craig Caspers)

Governor's Office:

Bill Goetz*	Chief of Staff, Governor's Office

Legislative Leadership:

Merle Boucher	House Minority Leader, ND Legislature
John Dorso*	House Majority Leader, ND Legislature
Tim Mathern*	Senate Minority Leader, ND Legislature
Gary Nelson	Senate Majority Leader, ND Legislature

Vision-2000:

Bill Marcil	Forum Publisher & Past Chairman, Vision-2000 Committee

(Also represented in other categories: Dale Anderson, Eddie Dunn & Dennis Johnson)

Board of Higher Education:

Craig Caspers*	Member, North Dakota State Board of Higher Education

Laura Glatt	Vice Chancellor, Administrative Affairs, NDUS
Mike Hillman*	Vice Chancellor, Academic Affairs, ND University System
Jack Hoeven	President, North Dakota State Board of Higher Education

Campus Presidents:

Ellen Chaffee	President, Valley City State University & Mayville State University, Four-Year College
Donna Thigpen*	President, Bismarck State College, Two-Year College

Skills Training & Technology Center:

Tony Grindberg*	Senator, & Loaned Executive, Skills Training & Technology Center
Mike Gustafson	Director, Cass County Rural Electric Cooperative

(Also represented in other categories: Larry Isaak, Mel Olson, & Jennifer Gladden)

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*Participated in the site visit to Cedar Rapids, Iowa, and Kirkwood Community College May 13, 1998.

STATEMENT BY DALE O. ANDERSON FOR ROGER REIERSON, CHAIRMAN, TASK FORCE FOR IMPROVING WORKFORCE DEVELOPMENT AND TRAINING AND PRESIDENT, FLINT COMMUNICATIONS, FARGO, REGARDING HB 1443, NORTH DAKOTA HOUSE APPROPRIATIONS COMMITTEE, FEBRUARY 8, 1999.

Chairman Dalrymple and members of the House Appropriations Committee. I am Dale O. Anderson, President, GNDA for Roger Reierson, Chairman, Task Force for Improving Workforce Development and Training and President, Flint Communications, Fargo. Thank you for this opportunity to provide testimony in support of engrossed HB 1443.

HISTORICAL

During the past 10 years, the North Dakota Legislature has enacted a large number of measures to help North Dakota be more competitive in a new, global marketplace. Dr. David Birch told the North Dakota Business Conference in November 1997, in assessing the progress North Dakota has made since 1986, that "You've done a remarkable job of changing your future...creating over 40,000 jobs." However, you have a new challenge: "to build a world-class workforce."

BUILDING A WORLD-CLASS WORKFORCE

A Task Force was formed. The Task Force consisted of individuals representing the governor's office, legislative leadership, business, education and government. The Task Force spent six months examining North Dakota's workforce training system, researching the best practices of other states and soliciting advice and assistance from one of the premier workforce training systems in the nation. I call your attention to the diverse makeup of the Task Force. The outcome of this diverse group is impressive. I had the privilege to serve as the Task Force Chairman. GNDA accepted an invitation to coordinate the work of the Task Force regarding workforce training and prepare

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recommendations for consideration by the 1999 North Dakota Legislative Session.

The Task Force was facilitated by Mr. Steve Ovel, Executive Director, Governmental Relations, Kirkwood Community College, Cedar Rapids, Iowa. Kirkwood Community College is considered one of the premier examples of a workforce training delivery system in the United States that works. The group spent six months examining North Dakota's workforce training system. Based on their research, the group concluded that major changes are needed to meet the workforce training demands for business and industry. The Task Force developed a plan that the Task Force believes will meet the needs of North Dakota business and industry.

THE PLAN

The new workforce training system being developed in North Dakota involves a major change in how workforce training will be provided. The new system is built around a single goal and four key components.

The goal of the new plan is to provide business and industry in North Dakota with the most competitive workforce in the nation.

The new plan defines four primary success characteristics for workforce training found among successful programs around the country. They are defined service regions, primary responsibility, financial support and collaborative relationships.

The detailed recommendations for the new delivery system are included in the plan first presented during the North Dakota Business Conference on November 17, 1998, and which has been distributed to you and your legislative colleagues during the past two months.

I call your attention to the handout entitled "Description of the New Workforce Training System in North Dakota." I will briefly take you through the major features of this new, innovative plan.

I. Key Components of the New System

A. Designated Service Regions

There will be four delivery regions in the state defined by the boundaries of the State Planning Regions. The four delivery regions will result from combining State Planning Regions 1 & 2, 3 & 4, 5 & 6, and 7 & 8. Please note map as the last page of the handout.

B. Primary Responsibility

The following colleges will be assigned primary responsibility for workforce training in each of the four regions:

- NW Region (State Planning Regions 1 & 2) – UND-Williston
- SW Region (State Planning Regions 7 & 8) – Bismarck State College
- NE Region (State Planning Regions 3 & 4) – UND-Lake Region
- SE Region (State Planning Regions 5 & 6) – North Dakota State College of Science

<u>Special unit</u> A special unit (workforce training division) within each of these four colleges will be created that is specifically designed to serve the needs of business and industry. The divisions will be charged with being customer driven, entrepreneurial, responsive, time sensitive, flexible, risk oriented, quality driven, leadership driven, change oriented and accountable.

C. Financial Support

Financial support for the new workforce training system will be from a combination of state, local, institution, and private sources. In addition, a revolving loan fund for training program start-up funds will be established. Access to this revolving loan fund by workforce training divisions will be quick and efficient.

D. Collaborative Relationships

Strong partnerships among various agencies and also strong partnerships between education institutions providing training and individual businesses being served will be developed.

II. The Two Major Functions of Workforce Training

A. Field Activities Function

This function consists of contacting business and industry, getting to know their training needs, developing trusting and effective working relationships, and arranging training. This function also consists of working closely with local development organizations, vocational centers, high schools that have training programs, private sector trainers, and other state and local agencies involved in workforce training in the community and region.

<u>Primary responsibility</u> The two-year colleges listed earlier will have primary responsibility for this function of workforce training.

B. Delivery of Training Function

This function includes the actual instructing or training for business and industry. It represents "the content component" and draws upon the resources available throughout North Dakota as well as from sources outside the state. It includes the expertise from the various centers of specialization within the University System, vocational centers and high schools, and also the expertise within other public agencies and organizations and the private sector.

<u>Primary responsibility</u> All colleges within the University System, as well as trainers from other public and private colleges and organizations, will be involved in the actual delivery of training.

III. How the New System Will Work

A. Field activities function

The workforce training divisions of the two-year colleges listed will employ field staff (workforce training managers) who will be responsible for contacting business and industry, developing effective working relationships, determining training needs and arranging training. These individuals will operate from locations within the respective service regions which are the most cost-effective, convenient and accessible to business and industry. The location, time, and content of the training will be determined by the business and industry receiving the training.

B. Delivery of training

As each training need is determined, the training division of the college will collaborate with the four-year colleges and universities, and with other private and public training providers, in arranging the training. As such, the divisions will serve as brokers in arranging the delivery of training.

C. Local workforce training boards

The workforce training divisions will be locally driven through a local workforce training board for each designated region. The respective workforce training boards will function under the governing policies of the State Board of Higher Education.

D. College Technical Education Council

The College Technical Education Council will serve in a coordination and support role to the two-year colleges in developing and carrying out the workforce training functions.

E. Customized training network

The customized training network will provide support services to the new workforce training system. The support will include: assisting in developing and maintaining a data base, accessible by the Internet, of programs and trainers available, and; providing specialized training seminars and opportunities aimed at improving the skills of individuals working in the customized training field.

IV. Expectations and Benefits of the New System

The new workforce training system will provide a number of benefits to employers, employees, and communities in North Dakota. The more significant of the benefits include:

- There will be a workforce training system that is much more coordinated, responsive and effective.

- Businesses will know who to contact to arrange training and will also know who has primary responsibility for workforce training in each region. The central contact and the entity with the primary responsibility will be the two-year college in the region.

IMPLEMENTATION

The recommendations to implement the new delivery system for workforce training will be considered by North Dakota Legislature and the North Dakota Board of Higher Education. The items requiring legislative debate and action are contained in HB 1443, which the House Education Committee heard, adopted amendments and passed on a vote of 13-2 on February 3, 1999, and you are hearing today. The North Dakota Board of Higher Education took positive action on the proposals in their area of responsibility during a telephone conference call meeting on January 28, 1999.

The Major Features of HB 1443

HB 1443 consists of 8 sections. Section 1 is an amendment to create independent colleges at Williston and Devils Lake and change their name to Williston State College and Lake Region State College by de-coupling each from the University of North Dakota. Section 2 is an amendment to change the name reference to the University of North Dakota – Lake Region to Lake Region State College. Section 3 requires a college assigned primary responsibility for workforce training to establish a division within the institution to serve the workforce training needs of business and industry and to serve as a broker. Section 4 requires the president of an institution of higher education that is assigned primary responsibility for workforce training to form a workforce training board consisting of representatives from business

and industry. Section 5 requires the college assigned primary responsibility for workforce training to prepare an annual business plan in consultation with the local board and grants authority to the Board of Higher Education to establish a revolving loan fund for the colleges assigned primary responsibility for workforce training. Section 6 requires the college assigned primary responsibility for workforce training to work with the local board in their service region to establish performance measurements for workforce training. Section 7 repeals section 15-11-02.1 of the North Dakota Century Code. This section provided for the supervision of the junior college at Devils Lake to receive supervision through the University of North Dakota. Section 8 provides for an appropriation of $1 million to the State Board for Vocational and Technical Education for the purpose of contracting with institutions of higher education assigned primary responsibility for workforce training to provide the framework for workforce training in North Dakota, for the biennium July 1, 1999 and ending June 30, 2001. This is the $1 million recommendation in Governor Schafer's budget address.

Support for the Plan

The Task Force has been very active in testing the new model. We received endorsements from Chambers of Commerce, Development Corporations, businesses and education. A copy of letters received through February 5, 1999, is attached to this testimony.

FUNDING

Funding sources is one of the four success factors identified in the plan. There is a wide array of funding mechanisms being used among states with successful workforce training systems. The most successful training programs have a combination of funding involving the state taking the lead with input from business and industry, county and city governments, and educational institutions.

Governor Schafer placed a high priority on workforce training during his budget address on December 10, 1998. Governor Schafer stated: "I recommend providing $2 million in new funding to the Department of Vocational Education to upgrade our workforce training plan. Companies need specialized training resources in this state. The

Greater North Dakota Association coordinated a Task Force from education, business, government and industry to design the necessary plan."

Governor Schafer continues: "It's a good plan – a plan that builds on the existing resources of our higher education system. The workforce development system will foster partnerships between business and education and make our universities more responsive to the demands of the marketplace."

Schafer concluded: "I strongly recommend funding this plan. Let's ignite this initiative and start training North Dakotans for the jobs of the future." Governor Schafer recommended $1 million in new general funding for workforce training in the State Board for Vocational and Technical Education Budget, HB 1020 for the 1999-2001 biennium.

The colleges assigned primary responsibility for workforce training developed business plans for the Task Force. The business plans were prepared through the leadership of the College Technical Education Council. The business plans outline statewide training needs, budgets for the 1999-2001 and service regions. The four colleges assigned primary responsibility for workforce training, project training revenue from business and industry of $1,918,000 for the 1999-2001 biennium. The projected institutional funds $313,900, regional funds is $773,530. The colleges assigned primary responsibility for workforce training must have the balance $1 million from the state general fund. This represents about 25 percent of the revenue for the 1999-2001 biennium.

The next logical step is building a world-class workforce. There were a large number of people involved in every aspect of developing this plan. The need is so great that the broad-based Task Force was able to move to consensus.

Thank you Chairman Dalrymple and members of the House Appropriations Committee for this opportunity to testify on behalf of the Task Force for Improving Workforce Development and Training in support of HB 1443.

Task Force for Improving Workforce
Development and Training

March 2, 1999

TO: North Dakota State Senators

FROM: Roger Reierson, Chairman
Task Force for Improving Workforce Development and Training
President, Flint Communications, Fargo & Past Chairman, GNDA

SUBJECT: **REENGROSSED HB 1443 – ACCESS TO WORKFORCE TRAINING**

The purpose of this memo is to transmit a report entitled **"Access to Workforce Training Urgently Needed."** This report provides a summary and brief description of the new workforce training system recommended by the Task Force For Improving Workforce Development and Training and proposed in HB 1443. Re-engrossed HB 1443 passed the House on a vote of 88-9, without funding. The Task Force is requesting the Senate Education Committee to commit to funding at original level of $1 million. This funding level was recommended by Governor Schafer.

The Task Force consisted of 31 state leaders representing the governor's office, legislative leadership from both parties, business, education and state and local government. This diverse group spent six months examining North Dakota's workforce system, researching the best practices of other states and soliciting advice and assistance from one of the premier workforce training systems. The outcome of this visionary group is impressive. The need for a more responsive, accessible workforce training system is so great that the broad based Task Force was able to move to consensus.

There is wide support for this plan. Governor Schafer placed a high priority on workforce training, urging funding for the plan in HB 1443. In addition to the Task Force, the plan has statewide support from local chambers of commerce, local development corporations, businesses, organized labor, and education entities.

Communities, businesses and employees in all regions of the state need access to workforce training to remain viable and expand employment opportunities. Access to workforce training will be a reality through the passage of engrossed HB 1443 with the $1 million funding proposal.

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ACCESS TO WORKFORCE TRAINING URGENTLY NEEDED

Situation

Access to workforce training is essential. ***Communities, businesses and employees in all regions of North Dakota need access to workforce training to remain viable and to expand employment opportunities.***

North Dakota's workforce training system is fragmented, underdeveloped, and incapable of meeting the current and rapidly changing workforce training needs of business in the state. That is the conclusion of a task force of 31 state leaders representing business, education and government that spent six months examining North Dakota's workforce training system, researching best practices of other states and soliciting advice and assistance from one of the premier workforce training systems in the nation. The Task Force for Improving Workforce Development and Training concluded that ***major changes are urgently needed*** *for business and industry in all regions of the state, as well as individual communities, to remain viable and competitive.*

The Task Force also identified the key factors common to successful training systems throughout the nation. Those factors are described in detail in the plan developed by the Task Force. Also included are the specific changes needed to establish a similar successful workforce training system in North Dakota.

Following is a summary and brief description of the new workforce training system recommended by the Task Force and proposed in House Bill-1443:

I. Significant Redesign

The new workforce training system being developed in North Dakota involves a major change in how workforce training would be provided. The new system is built around a single goal and four key components.

II. Goal

To provide business and industry in North Dakota with the most competitive workforce in the nation.

III. Key Components of the New System

A. Designated Service Regions

There will be four delivery regions in the state defined by the boundaries of the State Planning Regions. The four delivery regions will result from combining State Planning Regions 1&2, 3&4, 5&6, and 7&8 (see Attachment 1).

B. Primary Responsibility

The following colleges will be assigned primary responsibility for workforce training in each of the four regions:

- NW Region (State Planning Regions 1 & 2) - UND-Williston
- SW Region (State Planning Regions 7 & 8) - Bismarck State College
- NE Region (State Planning Regions 3 & 4) - UND-Lake Region
- SE Region (State Planning Regions 5 & 6) - N. D. State College of Science

Special unit A special unit (workforce training division) within each of these four colleges will be created that is specifically designed to serve the needs of business and industry. The divisions will be charged with being customer driven, entrepreneurial, responsive, time sensitive, flexible, risk oriented, quality driven, leadership driven, change oriented and accountable.

C. Financial Support

Financial support for the new workforce training system will be from a combination of state, local, institution, and private sources. In addition, a revolving loan fund for training program start-up funds will be established. Access to this revolving loan fund by workforce training divisions will be quick and efficient.

D. Collaborative Relationships

Strong partnerships among various agencies and also strong partnerships between education institution(s) providing training and individual businesses being served will be developed.

IV. The Two Major Functions of Workforce Training

A. Field Activities Function

This function consists of contacting business and industry, getting to know their training needs, developing trusting and effective working relationships, and arranging training. This function also consists of working closely with local development organizations, vocational centers, high schools that have training programs, tribal colleges, private sector trainers, and other state and local agencies involved in workforce training in the community and region.

Two distinct categories of staffing are required within this function. They include: (1) individuals (workforce training managers) who work with business and industry and with the various organizations as described above, and; (2) individuals who provide office backup support including contacting instructors to provide the training, preparing contracts, and arranging financing. Persons in this category handle the various logistics involved in arranging for the delivery of training, along with the necessary follow-up and evaluation for each training event.

Primary responsibility The two-year colleges listed earlier will have primary responsibility for this function of workforce training.

B. Delivery of Training Function

This function includes the actual instructing or training for business and industry. It represents "the content component" and draws upon the resources available throughout North Dakota as well as from sources outside the state. It includes the expertise from the various centers of specialization within the University System, vocational centers and high schools, tribal colleges, and also the expertise within other public agencies and organizations and the private sector.

It is anticipated, based upon the more successful training systems in the United States, that a significant number of instructors conducting the training will be adjunct or contract trainers. Existing University System faculty will have the opportunity to conduct training based upon their interests, availability, and areas of expertise in relation to the training needs of business and industry.

Primary responsibility All colleges within the University System, as well as trainers from other public and private colleges and organizations, will be involved in the actual delivery of training.

V. How the New System Will Work

A. Field activities

The workforce training divisions of the two-year colleges listed will employ field staff (workforce training managers) who will be responsible for contacting business and industry, developing effective working relationships, determining training needs and arranging training. These individuals will operate from locations within the respective service regions which are the most cost-effective, convenient and accessible to business and industry. The location, time, and content of the training will be determined by the business and industry receiving the training.

B. Delivery of training

As each training need is determined, the training division of the college will collaborate with the four-year colleges and universities, tribal colleges, vocational technical centers,

and with other private and public training providers, in arranging the training. As such, the divisions will serve as brokers in arranging the delivery of training.

C. Local advisory boards

The workforce training divisions will be locally-driven through a local advisory board for each designated region. The respective advisory boards will function under the governing policies of the State Board of Higher Education.

D. College Technical Education Council

The College Technical Education Council will serve in a coordination and support role to the two-year colleges in developing and carrying out the workforce training functions.

E. Customized Training Network

The Customized Training Network will provide support services to the new workforce training system. The support will include: assisting in developing and maintaining a data base, accessible by the Internet, of programs and trainers available, and; providing specialized training seminars and opportunities aimed at improving the skills of individuals working in the customized training field.

VI. Expectations and Benefits of the New System

The new workforce training system will provide a number of benefits to employers, employees, and communities in North Dakota. The more significant benefits include:

- A workforce training system that is much more coordinated, responsive and effective.
- Businesses which are large enough to justify the cost will be able to receive customized training to fit their specific training needs.
- Opportunities will be provided for businesses that are too small to justify customized arrangements to attend training events with other businesses needing similar training.
- Employees will have opportunities to enhance their knowledge and skills and, in turn, their employability. They will also have the opportunity to remain current in an environment of rapid change.
- A more comprehensive and coordinated workforce training system will significantly enhance the business retention, expansion, and attraction efforts of communities.
- The new workforce training system will help transition the two-year colleges into a role and function which is more in line with the current and future education and training needs of the state.

- Employees receiving training will have increased opportunities to receive certificate or degree credit through the educational institution or organization providing the training.

- The four-year colleges and universities will continue to play the major role in workforce development (distinguished from workforce training) as defined by the Task Force on Improving Workforce Development and Training and described in the Task Force Report. Implementation of the new training system will not preclude the four-year institutions from continuing to deliver the traditional courses for workforce development and continuing education.

- Businesses will have an opportunity to provide input to the workforce training available to them through the local advisory board in the region.

- An increased number of businesses will be referred to local Job Service offices, local development organizations, the Manufacturing Technology Partnership, and regional councils, to explore expansion or development opportunities including funding support for training. Potential funding support for workforce training in North Dakota includes the Workforce-2000 fund, the New Jobs Training Program, Jobs Training Partnership Act, and local development corporation funds.

VII. Role and Purpose of Workforce Training Divisions

The training divisions of the two-year colleges listed will have primary responsibility for assuring that employers in all areas of North Dakota have access to and the opportunities for high quality training that meets or exceeds their needs and expectations.

VIII. Performance Measures

Performance measures for workforce training will be developed. The measures will be results-oriented and based upon how well the training needs of business and industry are being met as determined by the companies in the region and by the local advisory boards. Specific measures will include:

- The number and percent of businesses in the region receiving training.

- Number and percent of businesses requesting repeat or additional training.

- Levels of satisfaction with training events with results provided by employers and employees receiving training.

- Number of referrals for training and results of those referrals.

- Revenue generated from training fees.

STATEMENT OF M. E. BUZZ SYRIA

SENATE EDUCATION COMMITTEE

HB 1443-Workforce Training
March 2, 1999

Mr. Chairman, committee members, I am Buzz Syria of Minot, a member of the steering committee of the Task Force for Improving Workforce Development and Training.

As past chairman of GNDA, the Minot Chamber of Commerce, the Minot Area Development Corporation and a member of Minot's Magic Fund, I have been involved for several years in economic development, especially in northwestern North Dakota.

As I participated in these efforts, I soon realized the importance of workforce training in expanding current businesses and bringing new businesses to our state, especially to my region of the state.

That is why I immediately said "yes" when asked to serve on the Task Force.

Learning of the successes in workforce training at Kirkwood College, I left our task force meeting enthused about what could be done if we immediately developed a plan and presented it to the legislature.

Today, in HB 1443, you can implement that plan.

As part of the task force, I was co-chair of the administrative structure task team. We worked as a group establishing administration of the plan. That is why I believe formation of workforce training through four regions in the state is so vital. Having a program utilizing the colleges at Wahpeton, Devils Lake, Bismarck and Williston will bring the availability of workforce training close to home for small business employers in the Stanleys and Parshalls, in the Crosbys and Velvas, as well as in the larger cities. Companies contacting a college close to home to find out what training is available and then determining where that training is located makes the program efficient and cost effective. That's important....efficient and cost effective. If this program is not efficient, is not cost effective, it won't be used.

The four region concept is much more efficient than having only one or two college locations available, perhaps a considerable distance from home.

These colleges close to home could then work with schools such as Minot State University and MSU-Bottineau and the other state colleges and universities. Work to determine if their specific workforce training expertise is what is needed for any single employer request.

The Minot Chamber of Commerce shares this view and that is why it enthusiastically endorses this workforce training program, as does Minot State University and MSU Bottineau. It will work for our small towns and the big cities.....and within all areas of the state. There are no geographic or size-of-community winners and losers. We can all be winners.

I urge your approval of this legislation and its funding so we can get to work on true workforce training of our employees.

I would entertain any questions you might have.

STATEMENT BY JODI UECKER-RUST, VICE CHAIRMAN, TASK FORCE FOR IMPROVING WORKFORCE DEVELOPMENT AND TRAINING, AND EXECUTIVE VICE PRESIDENT, GREAT PLAINS SOFTWARE, FARGO, REGARDING REENGROSSED HB 1443, NORTH DAKOTA SENATE EDUCATION COMMITTEE, MARCH 2, 1999.

Chairman Freborg and members of the Senate Education Committee. I am Jodi Uecker-Rust, Vice Chairman, Task Force for Improving Workforce Development and Training, and Executive Vice President, Great Plains Software, Fargo. Thank you for this opportunity to provide testimony in support of reengrossed HB 1443 and the proposed amendment to provide funding.

As a native of Hettinger, ND, I grew up in a rural community, similar to many of you on this committee. My father and my grandmother were educators in western North Dakota and as a result I have a keen awareness of the value of lifelong learning. For the past 15 years, I have been fortunate to be part of the exciting growth of Great Plains, with its headquarters in Fargo. As a West River kid now living in the East, I believe that all citizens of ND will gain by this legislation.

HISTORICAL

During the past 10 years, the North Dakota Legislature has enacted a large number of measures to help North Dakota be more competitive in a new, global marketplace. Dr. David Birch told the North Dakota Business Conference in November 1997, in assessing the progress North Dakota has made since 1986, "You've done a remarkable job of changing your future...creating over 40,000 jobs. However, you have a new challenge: to build a world-class workforce."

Great Plains and all businesses in North Dakota have the same challenge: to build a world-class workforce. At Great Plains we have the opportunity to work with many in a high-tech industry and everyone is looking for the same thing—the best people. At Great Plains we

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added 200 people to our team in the last 12 months. We are searching for those with the skills required to compete in our global marketplace. In addition, we have 1000 team members today who spend an average of 80 hours per year learning. At Great Plains, as in every business, learning needs to be a lifelong endeavor.

BUILDING A WORLD-CLASS WORKFORCE

The Task Force for Improving Workforce Development and Training was formed in May 1998 to seek solutions to this new challenge. The Task Force consisted of state leaders representing the governor's office, legislative leadership from both parties, business, education and government.

This diverse group spent six months examining North Dakota's workforce training system, researching the best practices of other states and soliciting advice and assistance from one of the premier workforce training systems in the nation. I call your attention to the diverse makeup of the Task Force. (Attachment One)

The outcome of this diverse group is impressive.

The group spent six months examining North Dakota's workforce training system. Based on their research, the group concluded:

1. **North Dakota's workforce training system is fragmented, underdeveloped, duplicative and incapable of meeting the current and rapidly changing workforce training needs, and**

2. **Major changes are needed to meet the workforce training demands for business and industry in all regions to remain viable and competitive.**

The Task Force developed a plan that it believes will meet the needs of North Dakota business and industry.

THE PLAN

The new workforce training system being developed in North Dakota involves a major change in how workforce training will be provided. The new system is built around a single goal and four key components.

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The customized training network will provide support services to the new workforce training system.

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IMPLEMENTATION

The recommendations to implement the new delivery system were to be considered by North Dakota Legislature and the North Dakota Board of Higher Education. The items requiring legislative debate and action are contained in HB 1443, which was amended in the House of Representatives by deleting section 8 providing for an appropriation of $1 million to the State Board for Vocational and Technical Education. The purpose of the funds is for contracting with institutions of higher education assigned primary responsibility for workforce training to provide the framework for workforce training in North Dakota – (HB

1020). The North Dakota Board of Higher Education took positive action on implementing the plan in their area of responsibility.

The Major Features of Reengrossed HB 1443

Reengrossed HB 1443 consists of 7 sections. Section 1 is an amendment to create independent colleges at Williston and Devils Lake and change their names to Williston State College and Lake Region State College by de-coupling each from the University of North Dakota. Section 2 is an amendment to change the name reference to the University of North Dakota – Lake Region to Lake Region State College. Section 3 requires a college assigned primary responsibility for workforce training to establish a division within the institution to serve the workforce training needs of business and industry and to serve as a broker. Section 4 requires the president of an institution of higher education that is assigned primary responsibility for workforce training to form a workforce training board consisting of representatives from business and industry, and at least one representative from one of the following: an Indian-owned business, tribal government, or tribal colleges within the designated region. Section 5 requires the college assigned primary responsibility for workforce training to prepare an annual business plan with provisions for use of the training capacity of the tribal colleges, in consultation with the local board, and grants authority to the Board of Higher Education to establish a revolving loan fund for the colleges assigned primary responsibility for workforce training. Section 6 requires the college assigned primary responsibility for workforce training to work with the local board in their service region to establish performance measurements for workforce training. Section 7 repeals section 15-11-02.1 of the North Dakota Century Code. This section of the Code provided for the supervision of the junior college at Devils Lake to receive supervision through the University of North Dakota.

Support for the Plan

The Task Force has been very active in testing the new model. The plan has been endorsed by local chambers of commerce, development corporations, businesses, and education. A listing of letters in support of the plan is attached to this testimony.

FINANCIAL SUPPORT

Financial support is one of the four success factors identified in the plan. There is a wide array of funding mechanisms being used among states with successful workforce training systems. The most successful training programs have a combination of funding involving the state taking the lead with input from business and industry, county and city governments, and educational institutions.

Governor Schafer placed a high priority on workforce training during his budget address. Governor Schafer stated: "Companies need specialized training resources in this state. The Greater North Dakota Association coordinated a Task Force from education, business, government and industry to design the necessary plan."

Governor Schafer continued: "It's a good plan – a plan that builds on the existing resources of our higher education system. The workforce development system will foster partnerships between business and education and make our universities more responsive to the demands of the marketplace."

Schafer concluded: "I strongly recommend funding this plan. Let's ignite this initiative and start training North Dakotans for the jobs of the future." Governor Schafer recommended $1 million in new general funding for workforce training in the State Board for Vocational and Technical Education Budget, HB 1020 for the 1999-2001 biennium.

The colleges assigned primary responsibility for workforce training developed business plans that were analyzed by the Task Force. The business plans were prepared through the leadership of the College Technical Education Council. The business plans outline statewide training needs, budgets for the 1999-2001 and service regions. The four colleges assigned primary responsibility for workforce training, project training revenue from business and industry of $1,918,000 for the 1999-2001 biennium; the projected institutional funds are $313,900, and the regional funds are $773,530. In order for the colleges assigned primary responsibility for workforce training to develop successful programs, it is essential that the $1 million from the state general fund be approved in HB 1443. The general fund appropriation represents

only about 25 percent of the revenue for the 1999-2001 biennium. In other words, each general fund dollar generates three other dollars.

PROPOSED AMENDMENT TO RE-ENGROSSED HB 1443

The Steering Committee of the Task Force met on February 25, 1999, and took action to request the Senate to commit to funding by adding Section 8 of HB 1443. Section 8 states: "There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for workforce training to provide the framework for work force training in this state for the biennium beginning July 1, 1999 and ending June 30, 2001." Senator Kringstad offered the proposed amendment regarding funding during his testimony. This is the $1million recommendation in Governor Schafer's budget recommendation.

The proposed funding amendment of $1 million for the 1999-2001 biennium would be used by the colleges assigned primary responsibility for workforce training to develop the framework for workforce training in North Dakota by creating a workforce training division within each listed two-year college. The two major functions of workforce training are the field activities and delivery of training functions.

The first function is the field activity. The workforce training divisions of the two-year colleges listed will employ field staff who are responsible for contracting businesses and industry, developing effective working relationships, determining training needs and arranging training.

The second function is the delivery of training. As each training need is determined, the training division of the college will collaborate with the four-year colleges and universities, tribal colleges, vocational technical centers, and other private and public training providers in arranging the training.

The next logical step is building a world-class workforce. There were a large number of people involved in every aspect of developing this plan. The need is so great that the broad-based Task Force was able to move to consensus. The Task Force enthusiastically recommends the $1 million general fund appropriation to enable this much needed program by business and industry to be implemented immediately.

Thank you Chairman Freborg and members of the Senate Education Committee for this opportunity to testify on behalf of the Task Force for Improving Workforce Development and Training in support of re-engrossed HB 1443 and the proposed amendment to reinstate Section 8 dealing with funding.

A number of people will be testifying on various aspects of the plan and will answer questions committee members may have. I will be available at their conclusion for any questions you have for me or I can take your questions now.

HB 1443
3/9/99
Roger Reierson

#1A

Task Force for Improving Workforce
Development and Training

STATEMENT BY ROGER REIERSON, CHAIRMAN, TASK FORCE FOR IMPROVING WORKFORCE DEVELOPMENT AND TRAINING, AND PRESIDENT, FLINT COMMUNICATIONS, FARGO, REGARDING REENGROSSED HB 1443, NORTH DAKOTA SENATE APPROPRIATIONS COMMITTEE, MARCH 9, 1999.

Chairman Nething and members of the Senate Appropriations Committee. I am Roger Reierson, Chairman, Task Force for Improving Workforce Development and Training, and President, Flint Communications, Fargo. Thank you for this opportunity to provide testimony in support of reengrossed HB 1443 and the proposed amendment to provide full funding. HB 1443 provides legislation to implement a new workforce training delivery system in North Dakota.

HB 1443 was amended in the House of Representatives by deleting section 8 providing for an appropriation of $1 million to the State Board for Vocational and Technical Education for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training to provide the framework for workforce training in this state. The impact of this action will be discussed in detail by Dr. Donna Thigpen, President, Bismarck State College.

HISTORICAL

During the past 10 years, the North Dakota Legislature has enacted a large number of measures to help North Dakota be more competitive in a new, global marketplace. Dr. David Birch told the North Dakota Business Conference in November 1997, in assessing the progress North Dakota has made since 1986, "You've done a remarkable job of changing your future...creating over 40,000 jobs. However, you have a new challenge: to build a world-class workforce."

Flint Communications and all businesses in North Dakota have the same challenge: to build a world-class workforce. At Flint Communications, we have the opportunity to work with many in a high-tech industry and everyone is looking for the same thing--the best

GNDA • Box 2639 • 2000 Schafer Street • Bismarck, ND 58501 • Phone: (701) 222-0929 • 1-800-382-1405 • FAX: (701) 222-1611

people. We are searching for those with the skills required to compete in our global marketplace. At Flint Communications, as in every business, learning needs to be a lifelong endeavor.

BUILDING A WORLD-CLASS WORKFORCE

The Task Force for Improving Workforce Development and Training was formed in May 1998 to seek solutions to this new challenge. The Task Force consisted of state leaders representing the Governor's office, legislative leadership from both parties, business, education and government.

This diverse group spent six months examining North Dakota's workforce training system, researching the best practices of other states and soliciting advice and assistance from one of the premier workforce training systems in the nation. I call your attention to the diverse makeup of the Task Force which is included with this testimony.

The outcome of this diverse group is impressive.

The group spent six months examining North Dakota's workforce training system. Based on their research, the group concluded:

1. **North Dakota's workforce training system is fragmented, underdeveloped, duplicative and incapable of meeting the current and rapidly changing workforce training needs, and**

2. **Major changes are needed to meet the workforce training demands for business and industry in all regions to remain viable and competitive.**

The Task Force developed a plan that it believes will meet the needs of North Dakota business and industry.

THE PLAN

Access to workforce training is essential. Communities, businesses and employees in all regions of the state need access to workforce training to remain viable and to expand employment opportunities.

The new workforce training system being developed in North Dakota involves a major change in how workforce training will be provided. The new system is built around a single goal and four key components.

The goal of the new plan is to provide business and industry in North Dakota with the most competitive workforce in the nation.

The new plan defines four primary success characteristics for workforce training found among successful programs around the country. They are defined service regions, primary responsibility, financial support and collaborative relationships.

The detailed recommendations for the new delivery system are included in the plan first presented during the North Dakota Business Conference on November 1998. This has been distributed to you and your legislative colleagues during the past two months.

I call your attention to the handout entitled "Access to Workforce Training Urgently Needed." I will briefly take you through the major features of this new, innovative plan.

IMPLEMENTATION

The recommendations to implement the new delivery system were to be considered by North Dakota Legislature and the North Dakota Board of Higher Education. The items requiring legislative debate and action are contained in HB 1443, which was amended in the House of Representatives by deleting section 8 providing for an appropriation of $1 million to the State Board for Vocational and Technical Education. The purpose of the funds is for contracting with institutions of higher education assigned primary responsibility for workforce training to provide the framework for workforce training in North Dakota – (HB 1020). The impact of eliminating the funding will be discussed by Dr. Donna Thigpen, President, Bismarck State College. The North Dakota Board of Higher Education took positive action on implementing the plan in their area of responsibility.

The Major Features of Reengrossed HB 1443

Reengrossed HB 1443 consists of 7 sections. Section 1 is an amendment to create independent colleges at Williston and Devils Lake and change their names to Williston State College and Lake Region State College by de-coupling each from the University of North Dakota. Section 2 is an amendment to change the name reference to the University of North Dakota – Lake Region to Lake Region State College. Section 3 requires a college assigned primary responsibility for workforce training to establish a division within the institution to serve the workforce training needs of business and industry and to serve as a broker. Section 4 requires the president of an institution of higher education that is assigned primary responsibility for workforce training to form a workforce training board consisting of representatives from business and industry, and at least one representative from one of the following: an Indian-owned business, tribal government, or tribal college within the designated region. Section 5 requires the college assigned primary responsibility for workforce training to prepare an annual business plan with provisions for use of the training capacity of the tribal colleges, in consultation with the local board, and grants authority to the Board of Higher Education to establish a revolving loan fund for the colleges assigned primary responsibility for workforce training. Section 6 requires the college assigned primary responsibility for workforce training to work with the local board in their service region to establish performance measurements for workforce training. Section 7 repeals section 15-11-02.1 of the North Dakota Century Code. This section of the Code provided for the supervision of the junior college at Devils Lake to receive supervision through the University of North Dakota.

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Senator Nething and members of the Committee, The Task Force's message today is that the $1 million general fund appropriation is essential to establish the new workforce training delivery system in North Dakota.

Dr. Donna Thigpen, President, Bismarck State College, will discuss the urgency of this recommendation during her presentation.

The next logical step is building a world-class workforce. There were a large number of people involved in every aspect of developing this plan. The need is so great that the broad-based Task Force was able to move to consensus. The Task Force enthusiastically recommends the $1 million general fund appropriation to enable this much needed program by business and industry to be implemented immediately.

Thank you Chairman Nething and members of the Senate Appropriations Committee for this opportunity to testify on behalf of the Task Force for Improving Workforce Development and Training in support of reengrossed HB 1443 and the proposed amendment to reinstate section 8 dealing with funding in the amount of $1 million.

A number of people will be testifying on various aspects of the plan and will answer questions committee members may have. I will be available at their conclusion for any questions you have for me or I can take your questions now. A number of Task Force members are also available to answer questions.

HB 1443

CONTACT STATE LIBRARY TO BORROW COPY OR CALL
BSC

Summary of Business Plans
<->
Developing a World-Class Workforce Training System in North Dakota

Prepared for:

Task Force for Improving
Workforce Development and Training

Prepared by:

College Technical Education Council
Bismarck State College
North Dakota State College of Science
University of North Dakota-Lake Region
University of North Dakota-Williston

February 9, 1999

DEVILS LAKE AREA
CHAMBER OF COMMERCE

P.O. Box 879
Highway 2 East
Devils Lake, North Dakota 58301
Phone (701) 662-4903
Fax (701) 662-2147

letters to GNDA

Date: 1/11/99

Subject: Workforce Development Model

The Devils Lake Area Chamber of Commerce has reviewed and discussed the proposal to develop a new workforce training delivery system. The Task Force for Improving Workforce Development and Training, which was chaired by Roger Reierson, identified a new strategy designed to deliver top quality training, economically and in a timely manner.

We support this effort and would urge our legislators to support and to consider sponsoring HB1020. This new initiative will need state, regional and local support to allow our state the opportunity to develop a first class training system and a first class workforce.

Approved by the Board 1/11/99

Dickinson State University

Dickinson, North Dakota 58601-4896

Office of the President
Telephone (701) 227-2326
Fax (701) 227-3712

January 8, 1999

Mr. Dale Anderson, President
Greater North Dakota Association
2000 Shafer Street
Bismarck, ND 58501

RECEIVED JAN 2 0 1999

Dear Mr. Anderson,

I am pleased to write this letter of support for the proposed customized training consortium that combines the resources and efforts of Bismarck State College and Dickinson State University in a partnership to deliver this educational service to southwest North Dakota.

There is a definite need for this type of post-secondary education training in order for local businesses and industries to attract and keep the highly skilled work force necessary to produce quality products and maintain a competitive edge. Moreover, local access to training and educational opportunities is a key factor in recruiting new businesses and industries to North Dakota. If the economies of Dickinson and North Dakota are to grow and advance, customized training services (along with work force development) must be provided and we in the North Dakota University System through a collaborative effort of member institutions stand ready to help meet this need.

Dickinson State University thoroughly endorses the Business Plan put forward by Bismarck State College and the proposed plan for delivering customized training to southwest North Dakota as described therein. Dickinson State has committed facilities and personnel support to aid Bismarck State College in its role as the broker of customized training for this quadrant of the state. D.S.U. administrators and personnel will also work closely with local representatives from business and industry to implement this delivery plan. Through a cooperative effort between the two institutions, we will be able to combine resources and infra-structure support in a manner that will better deliver the needed training and education than if each institution would proceed separately in a competitive mode.

Therefore, please be assured that we at Dickinson State University stand ready to work with Bismarck State College in a cooperative partnership to provide whatever support that is necessary to meet the customized training needs of southwest North Dakota. Moreover, we support the over-all concept of dividing the state into service quadrants and working with the regional two-year college as the leading entity for delivery. What is helpful for our local businesses and industries helps our community, our University, and our state. I would urge you and the G.N.D.A to continue in your efforts to make this proposed delivery system of customized training a reality.

Sincerely,

Rich Brauhn

Dr. Rich Brauhn,
Interim President

Amoco Petroleum Products
Mandan Refinery
Post Office Box 5000
Mandan, North Dakota 58554 -5500

R. J. Glaser
Refinery Manager

January 13, 1999

FAX: 222-1611

Mr. Dale Anderson
President, GNDA
2000 Schafer Street
Bismarck, North Dakota 58501

Dear Mr. Anderson:

I had the opportunity to review the work done by the Task Force for Improving Workforce Development and Training recent. I would like to let you know that I am entirely supportive of the proposal.

Amoco is already heading in the direction of outsourcing training administration. Currently Bismarck State College (BSC) is administering our written testing for operator certification and supplies us various other training needs. A new opportunity that will be discussed with BSC is the training needs for our new computer control system, designed by Honeywell. With most of the energy companies using Honeywell we believe there are synergy's to have BSC be the supplies of training as well as the location to install simulators.

The possibilities are almost endless and are exciting. If I can be of any help in moving this plan ahead please advise.

Sincerely,

Richard J. Glaser

Wahpeton Area Chamber of Commerce

January 13, 1999

RECEIVED JAN 15 1999

Jess Cooper
GNDA
Box 2639
Bismarck, ND 58502

Dear Jess:

The Wahpeton Area Chamber of Commerce, by a unanimous vote of its 15 member board of directors, supports legislation implementing the plan for development of a World class Workforce training system in North Dakota. The Greater North Dakota Association (GNDA) and the entire 31 member task force should be commended for the vision and diligence shown in designing a road map for the future of North Dakota's workforce needs.

The Wahpeton Area Chamber of Commerce is willing and ready to do its part to drive the engine on that road to training in North Dakota. We will work closely with the North Dakota State College of Science (NDSCS), a national leader in workforce preparation. NDSCS has been actively involved in workforce training and is committed to making sure that once funded, this strategic undertaking will successfully address workforce and technological needs as we move into the next millennium.

This Chamber of Commerce, the community and many regional industries have relied on and continue to need the NDSCS expertise and facilities. We have joined together to make sure the workforce training engine is and will be finely tuned, fueled and ready for this expedition into the future.

Whenever you need further assistance on this project, please contact us. We will do whatever it takes to drive that engine from the blueprint proposed to the reality of a state-of-the-art machine for workforce training and development.

Sincerely,

Richard Shorma
President

Jim Oliver
Executive Director

c: Dave MacIver

118 6th Street North Wahpeton, ND 58075 (701) 642-8744 FAX (701) 642-8745

THE CHAMBER
BISMARCK-MANDAN

January 13, 1998

RECEIVED JAN 15 1998

Dale Anderson
Greater North Dakota Association
PO Box 2639
Bismarck, ND 58502-2639

Dear Dale:

On behalf of the Bismarck-Mandan Chamber, I would like to compliment GNDA for the leadership it has shown in developing a plan for a World-Class Workforce Training System in North Dakota.

After reading a list of task force members and the recommendations they came up with, it is obvious to me that this plan has been developed with the business community in mind. It is also apparent that the various state and local agencies are committed to making this plan work.

Therefore, the Board of Directors of the Bismarck-Mandan Chamber went on record at their Board meeting of January 13, 1999 in support of the Workforce Training Plan presented.

Congratulations on a fine piece of work, Dale! Good luck on the implementation of this plan!

Sincerely,

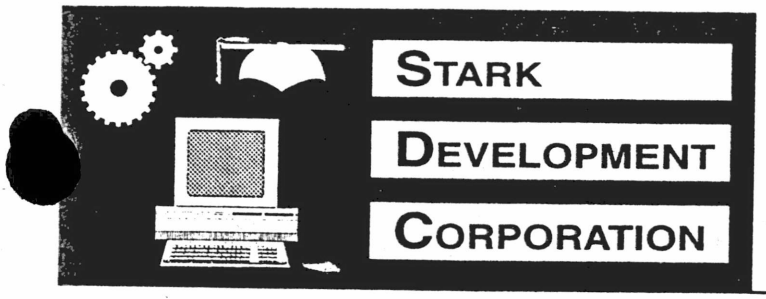
Jerry Splonskowski

Jerry Splonskowski
Chairman of the Board

JP/gh

P.O. Box 1675 Bismarck, North Dakota 58502
Phone: (701) 223-5660 Fax: (701)255-6125
E-Mail Address: office@chmbr.org

ACCREDITED



P.O. Box 765
314 3rd Ave. W.
Dickinson, ND 58602-0765
Ph: 701-225-5997
Fax: 701-227-8647
e-mail: starkdev@dickinson.ctctel.com
web site: ctctel.com/sdc

January 13, 1999

RECEIVED JAN 14 1999

Dale O. Anderson, President
Greater North Dakota Association
PO Box 2639
Bismarck, ND 58502

Dear Mr. Anderson,

Please accept this letter as evidence of support for the development of a consortium among higher education providers in North Dakota. The proposed consortium would provide ready access to the educational and training capabilities of more than one state-operated institution of higher education. By combining resources and capabilities of schools such as Dickinson State University and Bismarck State College, and offering classes from both schools in both communities, the people of North Dakota will be better served.

Sincerely,

Gaylon Baker
Director of Development

First Southwest Bank
you're right at home with us

January 13, 1999

RECEIVED JAN 15 1999

Dale Anderson
Greater North Dakota Association
2000 Schafer Street
Bismarck, ND 58501

Dear Dale:

I am in support of the plan for Developing a World-Class Workforce Training System in North Dakota which was coordinated by GNDA.

I have reviewed the plan and have been involved in settings where components of the plan were discussed. This is a great plan for the future of our communities and the State of North Dakota. I would hope that the task force is recognized and acknowledged for their efforts.

As I understand it, there is a concern in accessing the funding as the Governor included the funds for this project in his budget. One would hope that through the state legislative process of approving and funding this plan, there would be no unreasonable roadblocks to putting this plan in action.

If I can be of any help during the legislative process regarding this plan please contact me.

Sincerely,

Curt Walth
Branch President

333 North 4th Street • P.O. Box 777 • Bismarck, ND 58502 • Phone: 701-223-6050 • Fax: 701-223-1701

Member FDIC

T. ALEXIUS MEDICAL CENTER
PrimeCare health group

RECEIVED JAN 2 0 1999

January 14, 1999

Dale Anderson
President, GNDA
State Chamber of Commerce
2000 Shafer Street
Bismarck, ND 58501

Dear Dale:

I have reviewed the plan for "Developing a World-Class Workforce Training System in North Dakota" and wanted to let you know I am in support of this plan. I feel it will be a great benefit to the state of North Dakota.

Sincerely,

Richard A. Tschider, FACHE
Administrator/CEO

jw

MONTANA-DAKOTA
UTILITIES CO.
A Division of MDU Resources Group, Inc.

400 North Fourth Street
Bismarck, ND 58501
(701) 222-7900

RECEIVED JAN 2 0 1999

January 14, 1999

Mr. Dale Anderson
President
GNDA
State Chamber of Commerce
2000 Shafer St.
Bismarck, ND 58501

Dear Dale:

I am on the Business Advisory Council at BSC. This letter is to advise that I am in support of GNDA's Plan for Developing a World-Class Workforce Training System in North Dakota.

Sincerely,

Ron Tipton
President & CEO

cc: Donna Thigpen
President
BSC

GREAT RIVER
ENERGY

RECEIVED JAN 2 8 1999

A Touchstone Energy™ Partner

January 14, 1999

Mr. Dale Anderson
President, GNDA
State Chamber of Commerce
2000 Shafer St.
Bismarck, ND 58501

Dear Mr. Anderson;

We recently had opportunity to review Draft-2 or the Description of the New Workforce Training System in North Dakota. It is clear that significant thought has gone into the planning. The concepts that are expressed should be effective in meeting workforce needs in the future. The field activities should be especially helpful in matching training to the needs of the business community.

The timing of this initiative is appropriate for our industry. The average age of employees at our plant is a little over forty-three with a vast majority in their forty's. Projecting retirement dates indicates that we will be hiring new employees for retirement attrition at a steadily increasing pace through the next fifteen years of so.

Please keep us informed of progress on this program.

Sincerely,

GREAT RIVER ENERGY

John Weeda
Plant Manager

h: pschock\john weeda\1999\training development.doc

Charles M. Reichert
President & General Manager

January 14, 1999

RECEIVED JAN 2 0 1999

Mr. Dale Anderson
President, GNDA
State Chamber of Commerce
2000 Shafer St.
Bismarck, North Dakota 58501

Dear Dale,

At the urging of Ric Glaser of AMOCO, I have reviewed the Workforce Training System for North Dakota proposal sponsored by the GNDA. Overall I am impressed with the proposal, specifically in that it addresses the need and proposes a system which is accountable to business.

BNI Coal has not had a crucial problem with finding workers to fit into our coal mining needs. This is not to say that this will continue in the future. Although our turnover is near zero, we do know that with our aging work force (average is 48 years of age) we will be facing substantial hiring in the next 3-5 years. Consequently, we do have an interest in developing qualified workers.

In reviewing the proposal, I would ask that you give serious consideration to including in the curriculum the need for "soft training". I am referring to the ever-increasing need for employees to learn how to get along with other employees, their ability to communicate, learning the merits of team participation etc.

I am looking forward to seeing the Workforce Training System in North Dakota become a reality.

Sincerely,

Chuck Reichert

Cc: Ric Glaser

Bismarck Office
BNI Coal, Ltd.
P.O. Box 897 • 1637 Burnt Boat Drive • Bismarck, ND 58502
Phone (701) 222-8828 • Fax (701) 222-1547

Center Office
BNI Coal, Ltd., Center Mine
HC 2, Box 230 • Center, ND 58530
Phone (701) 794-8734 • Fax (701) 794-3124

Wahpeton CDC

Community Development Corporation, P.O. Box 224, Wahpeton North Dakota 58074

15 January 1999

Mr. Dale Anderson
President
Greater North Dakota Association
P.O. Box 2639
Bismarck, North Dakota 58502

RECEIVED JAN 2 0 1999

Regards: Developing a World-Class Workforce Training System in North Dakota

Dear Dale

The Wahpeton Community Development Corporation, by a unanimous vote of the Board of Directors, strongly supports legislation implementing the Greater North Dakota Association Plan for Development of a World-Class Workforce Training System in North Dakota.

We commend the Greater North Dakota Association, North Dakota Department of Economic Development and Finance and Human Services, Job Service, North Dakota University System, Customized Training Network, State Board for Vocational Technical Education, Workforce Development Council, Legislative Leadership, Office of the Governor and Task Force study team for the vision and collaboration displayed in designing such a farsighted and practical workforce training plan for North Dakota.

The Wahpeton Community Development Corporation and major regional industrial interests are ready and willing to play a key role in this undertaking. We already work closely with the North Dakota State College of Science [NDSCS], a nationally recognized leader in workforce preparation and training. Our business and industrial base has a solid record of involvement with NDSCS and the State in the delivery of innovative workforce development and training services. We are committed to ensuring that, once funded, this expanded public/private strategic training partnership will successfully address regional and state-wide technology and workforce needs well into the next century.

The Wahpeton Community Development Corporation, along with the Wahpeton Chamber of Commerce, Richland County Vo-Tech and Jobs Development Authority, the City of Wahpeton and the entire business community have relied upon and will continue to need a strong NDSCS training presence in the region. We are joined together in our resolve, in support of the Task Force's goal, "to provide business and industry in our region and across North Dakota with the most competitive workforce in the nation."

Please contact us for whatever additional support or further assistance you may need. Thanks again for your leadership in coordinating and driving this important initiative.

Sincerely

Timothy Carr
President

Mark Krauseneck
Executive Director

Phone Number 701-642-8559
Toll Free 800-892-6673
Fax 701-642-1428

RESOLUTION NO. 2937

RESOLUTION IN SUPPORT OF THE PLAN FOR DEVELOPMENT OF A WORLD CLASS WORKFORCE TRAINING SYSTEM IN NORTH DAKOTA

WHEREAS, the City of Wahpeton, North Dakota continues to be a leader in municipal and state economic development; and

WHEREAS, the Greater North Dakota Association has proposed the Plan for Development of a World Class Workforce Training System in North Dakota; and

WHEREAS, such plan calls for the cooperation and utilization of resources of the North Dakota State College of Science, the local units of government and the business and industrial community of the City of Wahpeton "to provide business and industry in our region and across North Dakota with the most competitive workforce in the nation."

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Wahpeton, North Dakota that the City go on record in support of the Greater North Dakota Association Plan for Development of a World Class Workforce Training System in North Dakota.

Dated this 19th day of January, 1999.

CITY OF WAHPETON

Duane M. Schmitz

By_____
Duane M. Schmitz, Mayor

ATTEST:

Arden C. Anderson

Arden C. Anderson, City Auditor

NORTH DAKOTA STATE COLLEGE OF SCIENCE
Office of the President
800 North 6th Street
Wahpeton, North Dakota 58076-0002

Telephone (701) 671-2221
FAX (701) 671-2145

January 15, 1999

RECEIVED JAN 18

Dale Anderson, President
Greater North Dakota Association
P.O. Box 2639
Bismarck, ND 58502-2639

Dear Dale:

I am writing to express my personal steadfast commitment, and that of NDSCS, to the concepts embodied in the Greater North Dakota Association (GNDA) World Class Workforce Training Plan for North Dakota. The vision of the 31-member task force and the leadership of GNDA in developing the plan is outstanding.

On Thursday, January 7, 1999, Jim Oliver, Executive Director and Richard Shorma, President of the Wahpeton Area Chamber of Commerce, met in my office with Mark Krauseneck, Executive Director - Wahpeton Economic Development, and Craig Caspers, State Board of Higher Education member from Wahpeton, with key NDSCS staff to discuss the plan and the implications for NDSCS and Wahpeton. District Legislators would have participated, but since they were in session in Bismarck, we have met separately with them to discuss the plan.

The results of that meeting and other fruitful discussions have led to letters of support from the Wahpeton Chamber of Commerce (to Jess Cooper, GNDA - copy enclosed), and total support from the Wahpeton Community Development Corporation (CDC), which is comprised of the major business/industry enterprises in Wahpeton. I have been advised by Mark Krauseneck that letters of endorsement are being prepared and should reach your office shortly.

It is obvious that NDSCS plays a key role in the plan and is in the process of finalizing its Campus Business Plan for Workforce Training in the SE Region. We are totally committed to fulfilling the training objectives set forth in the plan through the NDSCS Corporate and Customized Training Division of the College.

Thank you for your direct involvement, for GNDA's leadership, and for your good efforts during the past several months in bringing the concepts to the stage of fruition. The cooperation that has been demonstrated by the GNDA membership, state government officials, legislators, and higher education, is truly outstanding.

Sincerely,

Jerry C. Olson

Jerry C. Olson
President

nclosure

Chancellor Isaak
Jim Oliver
District 25 Legislators
Eddie Dunn
Richard Shorma

C:\DATA\JCO\GNDALET0.199

Jamestown
AREA CHAMBER OF COMMERCE

"Leading the Jamestown Area Toward Greater Business Vitality and Promoting Economic Prosperity"

January 15, 1999

RECEIVED JAN 18 1999

Jess Cooper
Greater North Dakota Association
PO Box 2639
Bismarck ND 58502

Dear Jess:

The Jamestown Area Chamber of Commerce Board of Directors met on January 14, 1999 and adopted the following resolution.

> "The Board of Directors of the Jamestown Area Chamber of Commerce supports legislation implementing the plan for developing a world-class workforce training system in North Dakota. Implementation of the plan prepared by the Task Force for Improving Workforce Development and Training will help insure the availability of a skilled workforce to meet North Dakota's expanding job opportunities."

Our thanks to the task force for their research on this important issue of workforce training. We hope for a positive outcome on this important legislation.

Sincerely,

Eileen Monson
Executive Vice President

210 10TH ST. S.E. • P.O. BOX 1530 JAMESTOWN, NORTH DAKOTA 58402 FAX: (701) 252-4837 • PHONE: (701) 252-4830

Office of the President

January 21, 1999

RECEIVED JAN 2 8 1999

Mr. Dale Anderson, President
Greater North Dakota Association
2000 Schafer Street
Bismarck, ND 58501

Dear Mr. Anderson:

I have read the proposed House Bill No. 1443 and the Northwest North Dakota Workforce Training Business Plan submitted by UND-Williston. I am pleased to be able to extend Minot State University's full support for this venture. Clearly the entire primary service area for our two campuses -- Minot and Bottineau -- will be impacted by this effort, and it is imperative that it succeed.

Please be advised that we have identified an office in MSU's Business and Community Assistance Center (BCAC) for occupancy by the staff person assigned to the Ward County operation. There is a clerical staff person at that facility and, while that person serves the needs of a number of other residents, it would be reasonable to expect that the workforce training officer assigned to this area can be likewise served.

You should know that Minot State University, though not assigned a major workforce training function by the Board of Higher Education, has been clearly focused through its Office of Continuing Education on the workforce training needs in Minot and surrounding communities. Examples include: Trinity Hospital, Sykes Industries, and most recently Reliastar. Beginning in June we will be providing training for the first wave of employees (200 plus) who will go to work in the new Reliastar facility early in 2000. We have designated seven classrooms and a computer laboratory, eight hours per day for six months, to this purpose.

We applaud the Greater North Dakota Association for your role in seeking to coordinate the many and diverse workforce training programs going on throughout the state in order that the largest number of clients can be served. We stand ready to help in this effort.

Sincerely,

H. Erik Shaar
President

ca

VALLEY CITY AREA CHAMBER OF COMMERCE

205 NE 2nd Street • Box 724
Valley City, North Dakota 58072-0724
Office: 701-845-1891
FAX: 701-845-1892

January 22, 1999

Greater North Dakota Association
P.O. Box 2639
Bismarck, ND 58502

Dear Sirs:

The Valley City Area Chamber of Commerce Board of Directors would like to go on record in support of legislation to implement a plan for developing a world-class workforce training system in North Dakota.

Implementation of the plan, prepared by the Task Force for Improving Workforce Development and Training, will help insure the availability of a skilled workforce to meet North Dakota's expanding job opportunities.

Thank you.

Sincerely,

Curt Brown

Curt Brown
Executive Vice President

DICKINSON
THE WESTERN EDGE

DICKINSON AREA CHAMBER OF COMMERCE

314 THIRD AVENUE WEST | P.O. BOX C | DICKINSON, ND 58602-8203 | PHONE: 701-225-5115

Jess Cooper and Dave MacIver
Greater North Dakota Association
Box 2369
Bismarck, ND 58502

RECEIVED JAN 2 6 1999

Dear Jess and Dave,

The Board of Directors of the Dickinson Area Chamber of Commerce met on January 21, 1999 and discussed workforce training as stated per your letter on December 29, 1998. As requested they have agreed to a resolution of support.

The Board of Directors and staff of the Dickinson Area Chamber of Commerce supports legislation implementing the plan for developing a world class workforce training system in North Dakota. Implementation of the plan prepared by the Task Force for Improving Workforce Development and Training will help insure the availability of a skilled workforce to meet North Dakota's expanding job opportunities.

Should you have any questions, or need further assistance or support for workforce training, please feel free to contact me at the Dickinson Area Chamber of Commerce at 701-225-5115.

Sincerely,

James A. Fahy, Exec Dir

James A. Fahy, Executive Director
Dickinson Area Chamber of Commerce

Grand Forks Chamber of Commerce

January 26, 1999

Dale Anderson
GNDA
PO Box 5639
Bismarck, ND 58502

Dear Dale:

This is in response to your letter requesting passage of a resolution of support for implementation of the world-class workforce training system for the state of North Dakota as proposed by GNDA's Workforce Training Task Force.

On January 8, 1999 the Chamber's Executive committee discussed this matter with input from Larry Anderson, manager of Grand Forks Job Services, who also chairs our Business and Economic Development Division, of which our Workforce Development Committee is a part. At our January 22, 1999 the board of directors adopted the following resolution "The Board of Directors of the Grand Forks Chamber of Commerce supports legislation implementing the plan for developing a world-class workforce training system in North Dakota. Implementation of the plan prepared by the Task Force for Improving Workforce Development and Training will help insure the availability of a skilled workforce to meet North Dakota's expanding workforce needs. The Grand Forks Chamber of Commerce also recommends support and utilization of the Workforce Development Partner System as adopted in Grand Forks with 12 different public and private agencies working together to successfully implement workforce development strategies in the Grand Forks region."

If you have any questions, please contact me at your earliest convenience. Best wishes and thank you for your leadership on a business issue of particular importance to expanding regional economies such as Grand Forks.

Sincerely yours,

Bob Gustafson, CCE
President

ACCREDITED CHAMBER OF COMMERCE FIVE YEARS

202 North Third Street • Grand Forks, North Dakota 58203 • Phone (701) 772-7271 • FAX (701) 772-9238

BISMARCK-MANDAN
DEVELOPMENT ASSOCIATION
701-222-5530 • fax 701-222-3843 • 1-888-222-5497 info@bmda.org • www.bmda.org

RECEIVED JAN 2 8 1999

January 27, 1999

Mr. Dale Anderson
GNDA
PO Box 2639
Bismarck, ND 58502-2639

Dear Mr. Anderson:

This is to advise you that the BMDA Executive Committee has discussed GNDA's "Plan For Developing a World-Class Workforce Training System in North Dakota."

The decision to support this plan was unanimous by the Executive Committee. The BMDA is critically aware of the need to develop a solid system of work force training which will allow North Dakota's businesses to remain competitive in the world market. The availability of the skilled training resources is also critical to local and statewide efforts to recruit new business and industry to North Dakota.

Thank you for all of the effort which GNDA has put into developing this plan. Please let us know if there is anything which we can do to support this effort.

Sincerely,

Russell Staiger

CHAMBER
Fargo Moorhead

Chamber of Commerce
of Fargo Moorhead

P.O. Box 2443
Fargo, ND
58108-2443
701.237.5678
Fax 701.232.3233

www.fmchamber.com
info@fmchamber.com

January 28, 1999

Dick Hedahl, Chair of the Board
Dale Anderson, President
Greater North Dakota Association
PO Box 2639
Bismarck, North Dakota 58502

Gentlemen:

As you know, the Chamber of Commerce of Fargo Moorhead is a bi-state, regional business organization with more than 1,600 member firms that collectively employ more than 67,000 people in our region.

Our Chamber was actively involved in your effort to prepare A Plan for Developing a World-Class Workforce Training System in North Dakota, and we now support legislation needed to help implement this plan.

We believe that the Plan will help to ensure the availability of a skilled workforce capable of helping to meet expanding job opportunities in North Dakota, which will help to foster and sustain business and community development statewide. This will in turn help to provide economic opportunity for all North Dakotans.

We appreciate GNDA's leadership on the important issue of workforce preparation and development in North Dakota. We also appreciate the emphasis that Governor Ed Schafer has placed on workforce training in his biennial budget proposal, and the cooperation and support that we believe our Legislature will show in helping to implement the Plan by approving needed legislation.

Sincerely,

Ed Schmitz
Chair of the Board

John C. Campbell
President/CEO

pc: Governor Ed Schafer
Senators G. Nelson and T. Mathern
Representatives Dorso and Boucher
Senators Kringstad, Robinson, Traynor, Nething and Grindberg
Representatives Byerly and Koppang
Others as appropriate

TWENTY-FIVE YEARS
ACCREDITED
CHAMBER OF COMMERCE
OF THE UNITED STATES

THE UNIVERSITY FOUNDATION
AT WILLISTON

P.O. Box 1286
Williston, North Dakota 58802-1286

RECEIVED FEB 0 5 1999

January 29, 1999

Dale Anderson, President
Greater North Dakota Association
2000 Schafer Street
Bismarck, ND 58501

Dear Mr. Anderson:

The University Foundation at Williston has been since 1961 and continues to be a support corporation for UND-Williston. The Foundation has reviewed the contents of HB 1443 and is very supportive of the change of UND-Williston from a branch campus of the University of North Dakota, Grand Forks to an independent, stand-alone state college. We also endorse the proposed name change to Williston State College.

UND-Williston, with support from the University Foundation, has always considered workforce training as part of its mission. The dedication to this mission is well documented with the success of UND-Williston's partnership with Transcriptions, Ltd., a national medical transcription company.

Sincerely,

Vern Neff
President

/bs

RICHLAND COUNTY VO-TECH

Area Vocational & Technology Center

Dan Rood Jr. ..... Director
Janel Syler ..... Business Manager

Center Board

Francis Rubish, Chairman ..... Fairmount
Mike Diekman, Vice Chairman ..... Wahpeton
Joe Thomas ..... Wahpeton
Bruce Stein ..... Hankinson
Steve Gunness ..... Richland 44
Jim Wilson ..... Campbell-Tintah
Robert Hoffert ..... Wyndmere

210 By-Pass
2101 9th Street North
◆
Wahpeton
North Dakota 58075
◆
Phone (701) 642-8701
Fax (701) 642-3811

January 29, 1999

Dale Anderson, President
Greater North Dakota Association
P.O. Box 2639
Bismarck, ND 58502-2639

Dear Dale:

On behalf of the Richland County Vo-Tech. Center Board of Education and our North Dakota partner districts of Colfax, Fairmount, Hankinson, Wyndmere, and Wahpeton, please note our unequivocal support for the GNDA Regional World Class Workforce Training Plan.

By a unanimous vote of the Richland County Vo-Tech. Center Board, we support this plan and are confident that the role of the North Dakota State College of Science in our region will be a lightning rod for success in the Workforce Development arena.

We have a 25 year history of working closely with NDSCS in the Vo-Tech. circles and are confident that our collective role in "growing our own" workforce at the secondary level when dovetailed with quality post-high experiences and subsequent education and training efforts will serve as a model for success.

Lastly, we are appreciative of the leadership of GNDA on this initiative and trust the citizenry of North Dakota will be better served with this visionary model. If we can be of further assistance, please feel free to contact our office.

Respectfully,

Dan Rood, Jr., Director

C District 25 & 27 legislators
Mr. Mel Olson, SBVTE Director

Educational Opportunities
Through Cooperation and Technology

VOCATIONAL - TECHNICAL EDUCATION

WILLISTON AREA CHAMBER OF COMMERCE

10 MAIN – P.O. BOX G
WILLISTON, NORTH DAKOTA 58802-0779
TELEPHONE (701) 572-3767
FAX 572-8591
e-mail wchamber@host1.dia.net

RECEIVED FEB 0 3 1999

Monday, Feb. 1, 1999

Dale Anderson, President
GNDA
200 Schafer St.
Bismarck, ND 58501

Mr. Anderson:

On behalf of the Williston Area Chamber of Commerce Board of Directors and its members, I would like to express support for the workforce training system in North Dakota. We also favor giving primary responsibility for the training to colleges in four regions of the state, namely UND-Williston, Bismarck State College, UND-Lake Region and North Dakota State College of Science.

I believe this program would greatly enhance the quality of education provided at these institutions and it would give a boost to the areas in which they are located. The goal of this program is to "provide business and industry in North Dakota with the most competitive workforce in the nation." Since we have the best people right here in North Dakota and we want to keep them here, we need to train them and this program is a step in the right direction.

We also would like to add our support to the idea of changing the names of UND-Williston to Williston State College and UND-Lake Region to Lake Region State College.

Thank you for your consideration of these matters.

Mary A Borseth

Mary A. Borseth
Executive President

West Fargo CHAMBER of COMMERCE

PHONE (701) 282-4444 FAX (701) 282-3665

February 2, 1999

Nina Sneider
President

Cindy Benson
Admin. Assistant

Jolene Olson
Chair

Kevin Bucholz
Chair Elect

[redacted]kjoiten
[redacted]rer

Steve McCullough
Past Chair

BOARD OF DIRECTORS

Jo Hatfield
Mark Larson
Kathy McAllister
Corky Scheett
Sam DuBois

Archie Filley
Ex-Officio

Barry Johnson
City Liaison

Greater North Dakota Association
2000 Schafer Street
Bismarck, ND 58502

To Whom It May Concern,

The West Fargo Chamber of Commerce Board of Directors is pleased to support the implementation of a world-class workforce training system in North Dakota. At the Board of Directors meeting held on Thursday, January 28th the following was unanimously supported:

The Board of Directors of the West Fargo Chamber of Commerce supports legislation implementing the plan for developing a world-class workforce training program in North Dakota. Implementation of the plan prepared by the Task Force for Improving Workforce Development and Training will help insure the availability of a skilled workforce to meet North Dakota's expanding job opportunities.

Thank you.

Sincerely,

Nina Sneider, President

Minot Area
Chamber of Commerce

1020 20th Avenue SW
P.O. Box 940
Minot, North Dakota 58702-0940

Telephone: 701.852.6000
Facsimile: 701.838.2488

February 3, 1999

Dale Anderson, President
Greater North Dakota Association
P. O. Box 2639
Bismarck, ND 58502

Dear Mr. Anderson:

The Minot Area Chamber of Commerce has reviewed the plan entitled "Developing a World Class Workforce Training System in North Dakota. As you know, the Task Force for Improving Workforce Development and Training developed the plan and it is a good first step in addressing the needs of North Dakota in developing a world-class workforce.

As such, The Board of Directors of the Minot Area Chamber of Commerce supports legislation implementing the plan for developing a world-class workforce training system in North Dakota. Implementation on the plan prepared by the Task Force for Improving Workforce Development and Training will help insure the availability of a skilled workforce to meet North Dakota's expanding job opportunities.

A special thanks to the Board and staff of GNDA for coordinating the efforts of the Task Force.

Respectfully,

L. John MacMartin
President

22 East Broadway
P.O. Box 1306
Williston, ND 58802-1306

Williston Area Development FOUNDATION

Business: (701) 572-8164
Toll Free: (800) 735-6959
Fax No.: (701) 572-8880
e-mail: trolfsta@dia.net

February 4, 1999

Dale Anderson, President
Greater North Dakota Association
PO Box 2639
Bismarck, ND 58502-2639

RE: HB 1444

Dear Dale,

Please convey our support for HB 1443. This bill is the proposed legislation to implement workforce training that will be housed in four institutions across the state, as well as including the name changes of the branch campuses.

We have considered UND-Williston as a key partner in our economic development efforts in Williston for many years and we look forward to building that relationship going forward into the future. That relationship has borne fruit and holds great promise for our region as we move from an unskilled workforce that is not able to command respectable wages to a trained and skilled workforce that is very much in demand by industry today.

Through the Transcriptions Ltd. program we have a great deal of confidence in industry's interest in working with North Dakota and the ability of UND-Williston to adapt and to provide the necessary training required by those industries. Additionally, the Transcriptions Ltd. project has shown that UND-Williston is very capable of providing training across the state of North Dakota and, particularly under this proposal, to the northwestern quarter of our state. We also feel that existing industry is very important. The ability to quickly adapt by our higher-ed system through workforce training centers in providing on-going workforce training for existing businesses, as that training becomes necessary is also vital.

We also are in support of the name change to Williston State College. While we have enjoyed our relationship with UND in Grand Forks, we understand that this is a time of change and we accept that new role. We support Garvin Stevens as he has discussed this issue and come up with the name Williston State College. We feel this is an appropriate name as it patterns it much after Minot State, Bismarck State, Dickinson State, etc.

Thank you for your support on this issue and we would appreciate if you would convey this letter of support to the Chairman and members of the committee.

Sincerely,

Kelly Buechler, President
Williston Area Development Foundation

Post-it® Fax Note 7671	Date	# of pages ▶
To DALE ANDERSON	From TOM ROLFSTAD	
Co./Dept.	Co.	
Phone #	Phone # 572-8164	
Fax # 222-1611	Fax # 572-8880	

NORTH DAKOTA UNIVERSITY SYSTEM

Comments on Motions Relating to
Implementing Workforce Training Recommendations
by
Jack Hoeven, President of the Board
North Dakota State Board of Higher Education
January 28, 1999

Before we leave this topic, I would like to make a couple of comments.

As I was sitting in the meetings this past July - along with about 30 others who were serving on the Task Force on Workforce Training - I remember thinking to myself, this is very optimistic but I wonder how much of it will actually happen, and how soon. I can't tell you how pleased I am that everything we talked about for two days is now well underway.

Some people looking at the action the Board has just taken could easily get the impression that we are just increasing our emphasis on workforce training. But I think it is much more than that. I look at it as taking an important step in redesigning the University System. It is what we said we would do in our Six-Year Plan.

The policies we have just enacted will help the two-year colleges change into a role which is more in line with the future education and training needs of the State. It gives them a sharper focus and a more clearly defined mission. We all know that we have an under-developed technical education and workforce training system in North Dakota. That is one of the things the Bush Panel Report pointed out. It is also what the Task Force concluded when they were working on this initiative this past summer.

With these new policies, we will begin to correct that situation. Although the focus of the changes are on the two-year colleges, it is my hope that these changes

State Capitol - 600 E. Boulevard Ave. Dept. 215, Bismarck, North Dakota 58505-0230 - (701) 328-2960
Fax 701.328.2961 - Internet NDUS_office@prairie.nodak.edu

The North Dakota University System is governed by the State Board of Higher Education and consists of: Bismarck State College - Dickinson State University - Mayville State University - Minot State University, Minot and Bottineau Campus - North Dakota State College of Science - North Dakota State University, Fargo - University of North Dakota, Grand Forks, Lake Region and Williston - Valley City State University

will help strengthen the role of ALL our colleges and universities in delivering workforce training in the State.

I think this is a great achievement -- but it is important to recognize that Higher Ed could not have gotten this far without a lot of great cooperation. There are a number of people who deserve credit for the progress that has been made and I want to take a moment to recognize some of them.

First, I want to express my appreciation to the 31 individuals who served on the Task Force and helped develop the recommendations we just discussed and acted on. These are all important and busy people who spent a lot of time and also worked hard over the last seven months to develop the recommendations and the policies we just adopted. Hopefully, we will be able to build on the excellent cooperation and partnerships that have been developed with this group and make even more changes in the future. I don't see why not.

I also want to thank Chancellor Isaak for his leadership in helping move this initiative along as rapidly and smoothly as he has.

Dale Anderson and GNDA deserve credit for offering to coordinate this initiative and for the willingness to shepard it through the legislative session. I trust they will be successful in getting the legislation passed that has been introduced as House Bill-1443. That package of legislation is very important if we are going to move forward with the policies we have just adopted.

Roger Reierson, Chairman of the Task Force, has done an outstanding job over the last several months in keeping things rolling, including keeping the Board informed. He has also provided briefing sessions for the Cabinet, for CTEC, and was the facilitator for the Cabinet retreat this fall. He has done a great job.

Mel Olson with the State Board for Vocational Technical Education has been especially supportive and has been great to work with throughout this process. He has included a line item in his budget for this initiative.

Governor Schafer included this initiative in his budget and has encouraged the legislature to support it. The legislative leadership along with the sponsors of House Bill-1443 deserve credit for what has been accomplished so far.

The people at Kirkwood Community College in Cedar Rapids Iowa, and especially Steve Ovel, played a major role in getting us to where we are today.

But there is one group that deserves special thanks, and that is the campus CEOs. Larry has kept me informed of the discussions and actions of this group over the last several months and I have to tell you that I have been very impressed with the level of cooperation I have seen. I know all of the Board members recognize that some of the decisions that had to be made were very sensitive and not easy. But the cooperation that has occurred among the campuses has just been outstanding and I want to compliment each one of the campus CEOs for that. To watch the CEOs of the four-year campuses make office space available on their campuses, write letters of support, visit with the legislators in their districts, and go out into the business community to develop support for this initiative, is truly impressive and commendable. You can be proud of your actions, because I can tell you, the Board is.

I know that President Baker has been especially understanding and supportive in helping UND-Lake Region and UND-Williston with the difficult decisions those campuses and communities had to make. The decision to let go of a branch campus is not easy. UND-Williston was created by the University of North Dakota, so I can appreciate the sensitivity and the difficulty involved in that decision. Also, UND-Lake Region has been a branch of UND for many years. This is a big step for those campuses. So, Kendall, I want to especially thank you and your colleagues at UND for the understanding and support you provided during this sensitive but important process.

Finally, my most sincere thanks to Eddie Dunn. Eddie, without your leadership and your dedication, I fear none of this would have been accomplished.

Again, I want to thank all of you who helped bring this initiative to this point. I appreciate it and I know the other Board members do as well.

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FILE:descrip4
Jan 28, 1999

DESCRIPTION OF THE NEW WORKFORCE TRAINING SYSTEM IN NORTH DAKOTA

I. Significant Redesign

The new workforce training system being developed in North Dakota involves a major change in how workforce training will be provided. The new system is built around a single goal and four key components.

II. Goal

To provide business and industry in North Dakota with the most competitive workforce in the nation.

III. Key Components of the New System

A. Designated Service Regions

There will be four delivery regions in the state defined by the boundaries of the State Planning Regions. The four delivery regions will result from combining State Planning Regions 1&2, 3&4, 5&6, and 7&8.

B. Primary Responsibility

The following colleges will be assigned primary responsibility for workforce training in each of the four regions:

- NW Region (State Planning Regions 1 & 2) - UND-Williston
- SW Region (State Planning Regions 7 & 8) - Bismarck State College
- NE Region (State Planning Regions 3 & 4) - UND-Lake Region
- SE Region (State Planning Regions 5 & 6) - North Dakota State College of Science

Special unit A special unit (workforce training division) within each of these four colleges will be created that is specifically designed to serve the needs of business and industry. The divisions will be charged with being customer driven, entrepreneurial, responsive, time sensitive, flexible, risk oriented, quality driven, leadership driven, change oriented and accountable.

C. Financial Support

Financial support for the new workforce training system will be from a combination of state, local, institution, and private sources. In addition, a revolving loan fund for training program start-up funds will be established. Access to this revolving loan fund by workforce training divisions will be quick and efficient.

D. Collaborative Relationships

Strong partnerships among various agencies and also strong partnerships between education institution(s) providing training and individual businesses being served will be developed.

IV. The Two Major Functions of Workforce Training

A. Field Activities Function

This function consists of contacting business and industry, getting to know their training needs, developing trusting and effective working relationships, and arranging training. This function also consists of working closely with local development organizations, vocational centers, high schools that have training programs, private sector trainers, and other state and local agencies involved in workforce training in the community and region.

Two distinct categories of staffing are required within this function. They include: (1) individuals (workforce training managers) who work with business and industry and with the various organizations as described above, and; (2) individuals who provide office backup support including contacting instructors to provide the training, preparing contracts, and arranging financing. Persons in this category handle the various logistics involved in arranging for the delivery of training, along with the necessary follow-up and evaluation for each training event.

Primary responsibility The two-year colleges listed earlier will have primary responsibility for this function of workforce training.

B. Delivery of Training Function

This function includes the actual instructing or training for business and industry. It represents "the content component" and draws upon the resources available throughout North Dakota as well as from sources outside the state. It includes the expertise from the various centers of specialization within the University System, vocational centers and high schools, tribal colleges, and also the expertise within other public agencies and organizations and the private sector.

It is anticipated, based upon the more successful training systems in the United States, that a significant number of instructors conducting the training will be adjunct or contract trainers. Existing University System faculty will have the opportunity to conduct training based upon their interests, availability, and areas of expertise in relation to the training needs of business and industry.

Primary responsibility All colleges within the University System, as well as trainers from other public and private colleges and organizations, will be involved in the actual delivery of training.

V. How the New System Will Work

A. Field activities Function

The workforce training divisions of the two-year colleges listed will employ field staff (workforce training managers) who will be responsible for contacting business and industry, developing effective working relationships, determining training needs and arranging training. These individuals will operate from locations within the respective service regions which are the most cost-effective, convenient and accessible to business and industry. The location, time, and content of the training will be determined by the business and industry receiving the training.

B. Delivery of training

As each training need is determined, the training division of the college will collaborate with the four-year colleges and universities, and with other private and public training providers, in arranging the training. As such, the divisions will serve as brokers in arranging the delivery of training.

C. Local advisory boards

The workforce training divisions will be locally-driven through a local advisory board for each designated region. The respective advisory boards will function under the governing policies of the State Board of Higher Education.

D. College Technical Education Council

The College Technical Education Council will serve in a coordination and support role to the two-year colleges in developing and carrying out the workforce training functions.

E. Customized Training Network

The Customized Training Network will provide support services to the new workforce training system. The support will include: assisting in developing and maintaining a data base, accessible by the Internet, of programs and trainers available, and; providing specialized training seminars and opportunities aimed at improving the skills of individuals working in the customized training field.

VI. Expectations and Benefits of the New System

The new workforce training system will provide a number of benefits to employers, employees, and communities in North Dakota. The more significant of the benefits include:

- There will be a workforce training system that is much more coordinated, responsive and effective.

- Businesses will know who to contact to arrange training and will also know who has primary responsibility for workforce training in each region. The central contact and the entity with the primary responsibility will be the two-year college in the region.

- Businesses which are large enough to justify the cost will be able to receive customized training to fit their specific training needs.

- Opportunities will be provided for businesses that are too small to justify customized arrangements to attend training events with other businesses needing similar training.

- Employees will have opportunities to enhance their knowledge and skills and, in turn, their employability. They will also have the opportunity to remain current in an environment of rapid change.

- A more comprehensive and coordinated workforce training system will significantly enhance the business retention, expansion, and attraction efforts of communities.

- The new workforce training system will help transition the two-year colleges into a role and function which is more in line with the current and future education and training needs of the state.

- The increased coordination will more effectively draw upon the specialized resources and expertise available at the four-year and research institutions in the state.

- The four-year colleges and universities will continue to play the major role in workforce development (distinguished from workforce training) as defined by the Task Force on Improving Workforce Development and Training and described in the Task Force Report. Implementation of the new training system will not preclude the four-year institutions from continuing to deliver the traditional courses for workforce development and continuing education.

- Workforce training managers will be knowledgeable and skilled in working with individual businesses in identifying training needs and sources of training which best suit the companies being served.

- There will be less duplication and an increase in efficiency in the training system due to having only one person, representing a number of potential training sources, calling on individual businesses.

- Businesses will have an opportunity to provide input to the workforce training available to them through the local advisory board in the region.

- An increased number of businesses will be referred to local Job Service offices, local development organizations, the Manufacturing Technology Partnership, and regional councils, to explore expansion or development opportunities including funding support for training. Potential funding support for workforce training in North Dakota includes the Workforce-2000 fund, the New Jobs Training Program, Jobs Training Partnership Act, and local development corporation funds.

- Employees receiving training will have increased opportunities to receive certificate or degree credit through the educational institution or organization providing the training.

VII. Role and Purpose of Workforce Training Divisions

The training divisions of the two-year colleges listed will have primary responsibility for assuring that employers in all areas of North Dakota have access to and the opportunities for high quality training that meets or exceeds their needs and expectations.

VIII. Performance Measures

Performance measures for workforce training will be developed. The measures will be results-oriented and based upon how well the training needs of business and industry are being met as determined by the companies in the region and by the local advisory boards. Specific measures will include:

- The number and percent of businesses in the region receiving training.

- Number and percent of businesses requesting repeat or additional training.

- Levels of satisfaction with training events with results provided by employers and employees receiving training.

- Number of referrals for training and results of those referrals.

- Revenue generated from training fees.

FILE:bdmotion

Motion for Implementing Recommendations of the Task Force for Improving Workforce Development and Training State Board of Higher Education January 28, 1999

It is proposed that the State Board of Higher Education adopt the following recommendations of the Task Force on Improving Workforce Development and Training and enact necessary implementing policies. The primary purpose of the recommendations and policies is to transition the two-year colleges in North Dakota into a role and function in line with the future education and workforce training needs of the state. To this end, the Board of Higher Education will:

1. Request the President of the State Board of Higher Education communicate with the Chairman of the Task Force and report that the State Board of Higher Education is taking action to implement the Task Force recommendations with the trust that the other components and specific recommendations called for in the Task Force Report will also be enacted in total and as agreed to by the full Task Force.

2. Request the President of the State Board of Higher Education commend Governor Schafer for the support the Governor has provided to the workforce training initiative through public comments and by including funding for this initiative in the budget proposal for the 1999 Legislative session.

3. Establish four workforce training service regions in North Dakota. The four regions are to result from combining State Planning Regions (SPR) One and Two into a service region for the northwest quadrant of the state; combining SPR Three and Four into a service region for the northeast quadrant; combining SPR Five and Six into a service region for the southeast quadrant, and; combining SPR Seven and Eight into a service region for the southwest quadrant;

4. Establish UND-Lake Region and UND-Williston as independent colleges effective July 1, 1999;

5. Change the name of UND-Lake Region to Lake Region State College;

6. Change the name of UND-Williston to Williston State College;

7. Assign primary responsibility for workforce training in the four service regions to the following two-year campus located within each region: Bismarck State College, North Dakota State College of Science, Lake Region State College, and Williston State College. Assigning primary responsibility means these colleges will serve as marketers, brokers, and coordinators for

workforce training in each of the service regions. The two-year colleges listed will be responsible for the coordination of workforce training while all colleges and universities within the University System will be involved in and will have responsibilities for the delivery of workforce training;

8. Direct the two-year colleges listed to establish strong and effective partnerships with: the other colleges and universities within the University System, private and tribal colleges, private sector businesses, local development organizations, state agencies, vocational centers, and secondary schools with vocational education programs. The purpose of the strong partnerships is to provide high quality and responsive service to employers and maximize the use of education and training resources of the University System and the state;

9. Direct the four-year colleges and universities within the North Dakota University System to support and collaborate with the two-year colleges in the delivery of workforce training in a manner that will be complimentary and take advantage of the centers of specialization and the expertise available on all colleges and universities within the System. The four-year colleges and universities are to continue to play the major role in workforce development (distinguished from workforce training) as defined by the Task Force and described in the Task Force Report;

10. Direct the CEOs of the two-year colleges listed to establish a workforce training division within each of these colleges specifically designed to serve the needs of business and industry. The workforce training division is to be customer-driven and entrepreneurial;

11. Direct the CEOs of each of the colleges listed to form a local workforce training advisory board. The advisory board is to represent the region's business sectors and a majority of the members are to be from the private business sector. The advisory board will advise the college president regarding the workforce training needs in the training region and report to the State Board of Higher Education on a regular basis regarding the status of workforce training in the region.

12. Establish performance measures, under the direction of CTEC and approved by the State Board of Higher Education, to be used at the end of FY-2001 in determining the effectiveness and practicality of having the four two-year colleges listed continue as independent colleges and with primary responsibility for workforce training;

13. Direct the Chancellor to continue pursuing changes in statutes, policies, and operating practices which would allow campuses to operate in a more entrepreneurial, flexible, and business like manner. These changes would include, but not be limited to, reducing overburdensome reporting and auditing requirements and developing a less cumbersome approval process for campuses to receive and expend tuition income.

OVERVIEW OF WORKFORCE TRAINING SYSTEM AND SUMMARY OF BUSINESS PLANS

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Developing a World-Class Workforce Training System In North Dakota

Prepared for:

Task Force for Improving
Workforce Development and Training

Prepared by:

College Technical Education Council
Bismarck State College
North Dakota State College of Science
University of North Dakota-Lake Region
University of North Dakota-Williston

January 27, 1999

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OVERVIEW OF WORKFORCE TRAINING SYSTEM AND SUMMARY OF BUSINESS PLANS

I. Significant Redesign

The new workforce training system being developed in North Dakota involves a major change in how workforce training will be provided. The new system is built around a single goal and four key components.

II. Goal

To provide business and industry in North Dakota with the most competitive workforce in the nation.

III. Key Components of the New System

A. Designated Service Regions

There will be four delivery regions in the state defined by the boundaries of the State Planning Regions. The four delivery regions will result from combining State Planning Regions 1&2, 3&4, 5&6, and 7&8 (see Attachment 1).

B. Primary Responsibility

The following colleges will be assigned primary responsibility for workforce training in each of the four regions:

- NW Region (State Planning Regions 1 & 2) - UND-Williston
- SW Region (State Planning Regions 7 & 8) - Bismarck State College
- NE Region (State Planning Regions 3 & 4) - UND-Lake Region
- SE Region (State Planning Regions 5 & 6) - North Dakota State College of Science

Special unit A special unit (workforce training division) within each of these four colleges will be created that is specifically designed to serve the needs of business and industry. The divisions will be charged with being customer driven, entrepreneurial, responsive, time sensitive, flexible, risk oriented, quality driven, leadership driven, change oriented and accountable.

C. Financial Support

Financial support for the new workforce training system will be from a combination of state, local, institution, and private sources. In addition, a revolving loan fund for training program start-up funds will be established. Access to this revolving loan fund by workforce training divisions will be quick and efficient.

D. Collaborative Relationships

Strong partnerships among various agencies and also strong partnerships between education institution(s) providing training and individual businesses being served will be developed.

IV. The Two Major Functions of Workforce Training

A. Field Activities Function

This function consists of contacting business and industry, getting to know their training needs, developing trusting and effective working relationships, and arranging training. This function also consists of working closely with local development organizations, vocational centers, high schools that have training programs, private sector trainers, and other state and local agencies involved in workforce training in the community and region.

Two distinct categories of staffing are required within this function. They include: (1) individuals (workforce training managers) who work with business and industry and with the various organizations as described above, and; (2) individuals who provide office backup support including contacting instructors to provide the training, preparing contracts, and arranging financing. Persons in this category handle the various logistics involved in arranging for the delivery of training, along with the necessary follow-up and evaluation for each training event.

Primary responsibility The two-year colleges listed earlier will have primary responsibility for this function of workforce training.

B. Delivery of Training Function

This function includes the actual instructing or training for business and industry. It represents "the content component" and draws upon the resources available throughout North Dakota as well as from sources outside the state. It includes the expertise from the various centers of specialization within the University System, vocational centers and high schools, tribal colleges, and also the expertise within other public agencies and organizations and the private sector.

It is anticipated, based upon the more successful training systems in the United States, that a significant number of instructors conducting the training will be adjunct or contract trainers. Existing University System faculty will have the opportunity to conduct training based upon their interests, availability, and areas of expertise in relation to the training needs of business and industry.

Primary responsibility All colleges within the University System, as well as trainers from other public and private colleges and organizations, will be involved in the actual delivery of training.

V. How the New System Will Work

A. Field activities

The workforce training divisions of the two-year colleges listed will employ field staff (workforce training managers) who will be responsible for contacting business and industry, developing effective working relationships, determining training needs and arranging training. These individuals will operate from locations within the respective service regions which are the most cost-effective, convenient and accessible to business and industry. The location, time, and content of the training will be determined by the business and industry receiving the training.

B. Delivery of training

As each training need is determined, the training division of the college will collaborate with the four-year colleges and universities, and with other private and public training providers, in arranging the training. As such, the divisions will serve as brokers in arranging the delivery of training.

C. Local advisory boards

The workforce training divisions will be locally-driven through a local advisory board for each designated region. The respective advisory boards will function under the governing policies of the State Board of Higher Education.

D. College Technical Education Council

The College Technical Education Council will serve in a coordination and support role to the two-year colleges in developing and carrying out the workforce training functions.

E. Customized Training Network

The Customized Training Network will provide support services to the new workforce training system. The support will include: assisting in developing and maintaining a data base, accessible by the Internet, of programs and trainers available, and; providing specialized training seminars and opportunities aimed at improving the skills of individuals working in the customized training field.

VI. Expectations and Benefits of the New System

The new workforce training system will provide a number of benefits to employers, employees, and communities in North Dakota. The more significant of the benefits include:

- There will be a workforce training system that is much more coordinated, responsive and effective.

- Businesses will know who to contact to arrange training and will also know who has primary responsibility for workforce training in each region. The central contact and the entity with the primary responsibility will be the two-year college in the region.

- Businesses which are large enough to justify the cost will be able to receive customized training to fit their specific training needs.

- Opportunities will be provided for businesses that are too small to justify customized arrangements to attend training events with other businesses needing similar training.

- Employees will have opportunities to enhance their knowledge and skills and, in turn, their employability. They will also have the opportunity to remain current in an environment of rapid change.

- A more comprehensive and coordinated workforce training system will significantly enhance the business retention, expansion, and attraction efforts of communities.

- The new workforce training system will help transition the two-year colleges into a role and function which is more in line with the current and future education and training needs of the state.

- The increased coordination will more effectively draw upon the specialized resources and expertise available at the four-year and research institutions in the state.

- The four-year colleges and universities will continue to play the major role in workforce development (distinguished from workforce training) as defined by the Task Force on Improving Workforce Development and Training and described in the Task Force Report. Implementation of the new training system will not preclude the four-year institutions from continuing to deliver the traditional courses for workforce development and continuing education.

- Workforce training managers will be knowledgeable and skilled in working with individual businesses in identifying training needs and sources of training which best suit the companies being served.

- There will be less duplication and an increase in efficiency in the training system due to having only one person, representing a number of potential training sources, calling on individual businesses.

- Businesses will have an opportunity to provide input to the workforce training available to them through the local advisory board in the region.

- An increased number of businesses will be referred to local Job Service offices, local development organizations, the Manufacturing Technology Partnership, and regional

councils, to explore expansion or development opportunities including funding support for training. Potential funding support for workforce training in North Dakota includes the Workforce-2000 fund, the New Jobs Training Program, Jobs Training Partnership Act, and local development corporation funds.

- Employees receiving training will have increased opportunities to receive certificate or degree credit through the educational institution or organization providing the training.

VII. Role and Purpose of Workforce Training Divisions

The training divisions of the two-year colleges listed will have primary responsibility for assuring that employers in all areas of North Dakota have access to and the opportunities for high quality training that meets or exceeds their needs and expectations.

VIII. Performance Measures

Performance measures for workforce training will be developed. The measures will be results-oriented and based upon how well the training needs of business and industry are being met as determined by the companies in the region and by the local advisory boards. Specific measures will include:

- The number and percent of businesses in the region receiving training.
- Number and percent of businesses requesting repeat or additional training.
- Levels of satisfaction with training events with results provided by employers and employees receiving training.
- Number of referrals for training and results of those referrals.
- Revenue generated from training fees.

IX. Purpose of Report

This summary report and the two-year college business plans were prepared at the request of the Task Force for Improving Workforce Development and Training. The request reads:

> *"Under the direction of the College Technical Education Council (CTEC), business plans are to be developed for determining the feasibility of establishing defined service regions. The business plans will outline statewide training needs, budgets and staffing for each region. A number of recommendations contained in this report are predicated on the results of the business plans. The plans are to be presented to the Task Force for review prior to the funding proposal."*

The purposes of this report and the business plans are to:

A. Describe how workforce training would be provided to business and industry, by defined region and throughout the state, under the new workforce training system developed by the Task Force for Improving Workforce Development and Training.

B. Provide information useful to the Task Force in determining the number of defined regions to be recommended for the delivery of workforce training in North Dakota.

X. Questions to be Answered

During discussions at the Task Force meeting on November 15, 1998, and during follow-up visits with the legislative leadership, the following specific questions were requested to be addressed in the campus business plans:

A. How many defined service regions will most effectively and efficiently serve the training needs of employers, primarily business and industry, in the state?

B. Is there a sufficient critical mass - a sufficient number of employers, employees and property valuations - to provide a training market and local capacity to sustain more than two workforce training regions in the state?

C. What would be the projected cost to the state general fund of establishing a workforce training system in North Dakota consisting of two defined service regions compared to four?

D. What evidence is there that demonstrates that all four of the two-year campuses, potentially assigned primary responsibility for workforce training, are capable of effectively meeting the workforce training needs in their respective service regions and sustaining viable and effective training operations?

E. What assurances will there be that the defined service regions will not become confining but, instead, will draw upon the resources and expertise throughout the state to maximize the use of limited resources and avoid unnecessary duplication?

F. How does North Dakota compare to Iowa regarding the population, number of businesses, and workforce being served? A related question asked was: How does all of North Dakota compare to the Cedar Rapids/Kirkwood service region alone?

Each of the above questions are addressed in this summary report and in further detail in the business plans prepared by the four two-year colleges.

XI. Assignment of Primary Responsibility

The Task Force discussed the specific two-year campuses that could potentially be assigned primary responsibility for workforce training in North Dakota. Those campuses include: Bismarck State College, North Dakota State College of Science, UND-Lake Region, and UND-Williston. These four colleges were requested to prepare and submit business plans for consideration and recommendations by the Task Force.

The preparation of the business plans has been a collaborative effort requiring extensive cooperation among the two-year campuses. That cooperation becomes evident by a review of the individual campus plans. The campuses agreed to use the same budget format, time periods, information categories (such as demographic data, staffing requirements, expansion schedules, etc.) to allow the information included in the plans to be easily summed and analyzed by the Task Force.

You will note that the business plans closely follow the specific recommendations presented in the Task Force Report and provide evidence of fully embracing the success and performance attributes for entrepreneurial colleges adopted by the Task Force.

In addition to developing plans which address the specific questions posed by the Task Force and the legislative leadership, each of the campus plans also describe how the campuses are already implementing, or will implement, the other key recommendations in the Task Force Report.

Key Recommendations

- **A.** establishing local advisory boards for each defined service region;
- **B.** establishing a separate unit/division of the college that is entrepreneurial and devoted to meeting the training needs of business and industry;
- **C.** collaborating with four-year colleges and universities in delivering training which utilizes the expertise available on the four-year campuses;
- **D.** developing or strengthening linkages and partnerships with local development organizations, vocational centers, secondary schools with vocational technical programs, tribal colleges, private training providers, and other agencies and organizations involved in training;
- **E.** making arrangements, including obtaining in-kind office space, to locate workforce training managers in the more populated areas and near the customer base, and;
- **F.** arranging for local funding (community and/or region) to support workforce training as part of the combination of state, local and private funding called for in the Task Force Report.

XII. Critical Mass

One of the questions requested to be answered was: Is there a sufficient critical mass which will provide a training market and local capacity to sustain more than two training regions

in the State? Attachment 2 includes a summary of the number of employers and employees by Region to help answer this question.

The total number of employers in North Dakota, according to Job Service North Dakota data, is 22,406 employing 300,498 individuals. The concentration of employers ranges from 8,086 (36.1% of the total) in the southeast quadrant of the state, to 4,074 (18.2%) in the northwest. The average number of employers per region is 5,601. The number of employees within each region is consistently within 2.5% of the number of employers and, therefore, the distribution of employees is in approximately the same proportion as the number of employers.

It would appear, from a market potential standpoint, that there is a sufficient number of employers and employees in all four quadrants of the state to sustain an efficient workforce training system in each region. For example, a market penetration of less than 5% would provide training opportunities to an average of 280 employers and 3,756 employees per region. That amount is considerably above what is being anticipated in the campus business plans being submitted.

XIII. Fiscal Capacity

Taxable valuation is one measure of the capacity of a local government to provide services supported by property taxes. The taxable values for counties within each of the eight State Planning Regions were analyzed to obtain a comparison of the potential fiscal capacity of each region under the scenario of a two-region workforce training system and a four-region system.

If four regions were to be established, the taxable valuation per region would range from 18% to 37% of the total valuation for the state. The southeast region would have the largest valuation with $407,623,754 and represent 37% of the total valuation for the state. The next highest valuation would be in the northeast region with $228,946,514 and represent 21% of the total valuation for the state. The southwest region would have the third largest valuation with $275,699,841 and represent 25%. The northwest region would have a valuation of $195,585,535 and represent 18% of the total valuation for the state.

If two defined regions were to be established, by combining state planning regions 1, 2, 7 and 8 into one service region, and regions 3, 4, 5 and 6 in the other service region, the total taxable valuation for the western service region would be $471,285,376 and would represent 42.5% of the total valuation for the state. The total valuation for the eastern service region would be $636,570,268 and represent 57.5%.

The taxable values by county and by State Planning Region are published in the report titled, The State of North Dakota: Economic, Demographic, Public Service, and Fiscal Conditions, Department of Agricultural Economics, North Dakota State University, Fargo, North Dakota, Randal C. Coon and F. Larry Leistritz, May 1998.

XIV. North Dakota Demographics Compared to Iowa

One of the questions that arose during the Task Force discussion of Defined Regions was: How does North Dakota compare to Iowa regarding the population, number of businesses, and workforce being served? As indicated earlier, a related question asked was: How does all of North Dakota compare to just the Cedar Rapids/Kirkwood Community College service region?

As illustrated in Attachment 2, North Dakota has approximately one-fourth the population and a similar proportion of the number of employers, and employees compared to Iowa. In addition, Iowa has 15 defined service regions, each served by a community college. By comparison, North Dakota is considering the creation of up to four service regions each served by a community college.

A. Four-Region Option

If the decision is made to establish four defined service regions in North Dakota, a logical configuration would be to divide the State into four quadrants using the criteria developed by the Task Team on Defined Regions and submitted to the full Task Force. Under this arrangement: the Northwest Region would be comprised of the counties in State Planning Regions 1 and 2; the Northeast Region would consist of the counties in State Planning Regions 3 and 4; the Southeast Region would be made up of the counties in State Planning Regions 5 and 6, and; the Southwest Region would consist of the counties in State Planning Regions 7 and 8. With a four-region configuration and in comparison to Iowa:

1. The average number of employers per region in North Dakota would be 5,584 compared to 6,342 per region in Iowa. It should be noted that the Des Moines region alone represents 23% of the total number of employers in Iowa. If Des Moines is excluded, the average number of employers per region in Iowa drops below that of North Dakota (5,273 employers per region in Iowa compared to 5,584 employers per region in North Dakota).

2. The number of employers in the least populated region of North Dakota would be considerably greater than the least populated region in Iowa (4,073 in North Dakota compared to 1,598 in Iowa).

3. The number of employers in the most populated region of North Dakota would be 8,089 compared to 20,228 in Iowa (the Des Moines region). After Des Moines, the next most populated area of Iowa is the Cedar Rapids region with 10,927 employers.

B. Two-Region Option

If the decision is made to limit the number of defined service regions in North Dakota to two, those two regions could be defined in a number of ways. The option mentioned most frequently would be to divide the state in half with one service region

in the west and the other in the east. The western region would logically consist of the counties in State Planning Regions 1, 2, 7, and 8. The eastern region would logically be comprised of the counties in State Planning Regions 3, 4, 5, and 6. With a configuration consisting of two state planning regions per service region and in comparison with Iowa:

1. The average number of employers per region in North Dakota would be 11,168 compared to an average of 6,342 in Iowa. As noted earlier, the Des Moines region alone represents 23% of the total number of employers in Iowa. If Des Moines is excluded, the average number of employers per region in Iowa drops to 5,273 compared to 11,168 in North Dakota.

2. The number of employers in the least populated region of North Dakota (western region) would be 9,850 compared to 1,598 in the least populated region in Iowa (Ottumwa region).

3. The number of employers in the most populated region of North Dakota would be 12,487 (southeast region) compared to 20,228 in the most populated region of Iowa (Des Moines region).

XV. Summary of Budgets

As indicated earlier, the Task Force requested business plans be prepared by the four two-year colleges being considered to be assigned primary responsibility for workforce training. The business plans and a summary report of the business plans were completed and forwarded to the members of the Task Force Steering Committee on December 14, 1998. The Committee met, reviewed the plans, identified areas of strengths and inconsistencies, offered suggestions where additional information or explanations would be helpful, and recommended that the plans be submitted to someone in the financial community for further comment and recommendations. The Small Business Administration was suggested as a possibility for reviewing the plans.

A primary recommendation of the Steering committee was that the budgets, particularly the state general fund portion of the revenue, should relate to the percentage of the market (number of businesses and employees) to be served. The four two-year colleges revised the business plans, in accordance with the recommendations of the Steering Committee and the Small Business Administration, and resubmitted the plans to the Steering Committee. The time lines and functions used in the preparation of the campus business plans are listed in Attachment 4.

The current and projected levels of investments in workforce training by the four two-year colleges is presented in Attachment 5. Currently, the four colleges are receiving a total of $650,430 from direct training revenues (fees from employers for training). Direct training revenues are projected to increase to $866,300 in FY-2000 and reach $1,535,000 in FY-2003.

Presently, none of the campuses are receiving funding support from the local level (community, region, or business organizations). Given the stipulation in the Task Force Report that at least a portion of the revenue for training is to come from the local level, the campuses are prepared to pursue this funding source in the future. The projected revenue from this source for all four colleges is estimated to be $338,880 in FY-2000 and increase to $451,431 in FY-2003. All four campuses have either obtained cash or in-kind commitments for support from this category of funding or are in the process of doing so.

As noted in Attachment 5, colleges currently do not receive state general funds to support the workforce training functions of their institutions. The projected needed revenue from state general funds for all four campuses to support the training functions outlined in the business plans is $500,000 per year for FY-2000 and FY-2001 (for a total of $1,000,000 for the FY-2001 biennium). The amount of state funding needed for FY-2002 and FY-2003 is projected to be $675,000 per year (for a total of $1,350,000 for the FY-2003 biennium).

As of FY-99, the four colleges are investing a total of $379,479 of institutional funds in workforce training and, as such, have been subsidizing the workforce training unit of the college. It has been the institutional subsidy that has allowed the training activities by the campuses to expand at a dramatic level in the last five years. However, as the demand for training increased, these colleges began experiencing extreme difficulty in recovering total costs associated with training.

A detailed analysis revealed that the individual institutions were needing to subsidize the training functions/divisions of their campus to a level of 20-25%. It was at this point that the College Technical Education Council (CTEC), in cooperation with the Customized Training Network (CTN), conducted a national survey to determine why colleges in some of the other states were apparently more successful in providing training than colleges in North Dakota. The survey resulted in the preparation of a special report to the members of CTEC in March, 1998, which listed the "common characteristics" of successful workforce training systems. In turn, the research led to a site visit to Kirkwood Community College on May 13, 1998, during which the common success characteristics were observed and further validated.

The budgets for all four colleges show a decrease in funding to be provided by the institution in the future. The reason for the decrease in the institutional funding is that the colleges are anticipating being able to discontinue operating the training division of the college at a loss and, in turn, discontinue having to subsidize the training division by using funds from other departments or areas of the college.

Conversations regarding training at CTEC meetings over the last five years have all had the same underlying message: The two-year campuses in the state will need to take a risk and subsidize the workforce training function with the belief the day would eventually come when the local communities and influential state leaders would recognize the importance of workforce training and technical education to the economic viability of the state. Because

of the special efforts of the Task Force for Improving Workforce Development and Training, it appears that day may be here.

XVI. Statewide Support System

A. College Technical Education Council (CTEC)

The College Technical Education Council serves in a coordinating and support system role to the two-year colleges in the state. As recommended in the Task Force Report, CTEC will play an even larger coordinating role in working with the two-year colleges as they assume the primary responsibility for workforce training, regardless of the final configuration of regions decided upon. The resources of CTEC will be provided as in-kind support from the North Dakota University System to assist in implementing the new workforce training system.

B. Customized Training Network (CTN)

The Customized Training Network has provided an important support service to the campuses and, in turn, has helped strengthen the customized training operations of each campus as well as the other members of CTN. That effort will continue. For example, the data base (which lists programs, trainers, and specialized program expertise available) will be further developed and made available to individuals responsible for arranging training. The data base is accessible by the Internet and will be available to workforce training professionals from within or outside each of the service regions. In addition, the professional development and specialized training seminars aimed at improving the skills of individuals working in the customized training field will continue.

Financial support for CTN has largely been provided by the State Board for Vocational Technical Education along with contributions from each of the two-year campuses. The annual cost of operating the CTN is approximately $30,000 per year. A request will be made to utilize this amount of funding from workforce training funds to continue to operate and to further develop the Customized Training Network.

XVII. Considerations Regarding Number of Regions

Near the completion of the campus business plans, a conference call meeting was held involving the CEOs and task teams from the four campuses involved to identify the cost differences of a two-region workforce training system compared to a four-region system. The conclusions developed from that meeting are:

A. Administrative costs would not change for a two versus a four region system because the administration is already in place on all four campuses. The administration includes: the president or executive dean; the finance officer, and; at least one senior administrator already assigned responsibility for outreach activities (such as continuing education, customized training, and community services). None of the

campuses would increase administration with or without being assigned primary responsibility for a workforce training region.

B. Other than the direct cost of instructors and trainers, the major expense items in each of the business plans results from: (1) acquiring individuals (workforce training managers) to call on and to work with business and industry to provide training and, (2) training coordinators to provide backup support to the workforce training managers. The budget expenses in this area would not change markedly under a two versus a four-region arrangement. The reason is, the cost of instructors and the two staff positions are not a function of the number of service regions established, but are a function of the number of businesses to be served and the importance of locating outreach staff as close to the customers as possible.

C. Local advisory committees and proximity are vital. As evidenced by Kirkwood Community College and other successful community colleges throughout the nation, having a presence and establishing a trusting working relationship with business and industry to be served is essential to successful workforce training systems.

D. If only two locations (for example, BSC and NDSCS) were to be assigned the primary responsibility for workforce training for the entire state, the CEOs of these two institutions reported that they would likely locate personnel in strategic areas of the state which are central to the customers to be served. NDSCS has tried to serve business and industry throughout the state from a remote location and it has been expensive and difficult.

E. Electronic and distance delivery systems can help to overcome part of the geography challenge but experience by those in the workforce training arena shows that electronic delivery systems are a support, and not a replacement, for personal contact and the development of long term trusting relationships.

F. The establishment of a statewide system of workforce training, with primary responsibility assigned to the two-year colleges, would have the additional benefit of helping redesign the two-year colleges in order to more effectively deliver all vocational technical education programs in a coordinated, coherent statewide manner.

XVIII. Summary Observations

- The four two-year campuses submitting business plans are already extensively involved in workforce training as evidenced by the generation of revenues from training fees in excess of $650,000 per year. The training revenues generated range from $70,000 to over $340,000 per college per year.

- A review of the most recent CTN Activity Report shows that these four campuses reported a total of 163 training events serving 1,816 participants. Slightly more than 25% of all training conducted and reported to the CTN is provided by these

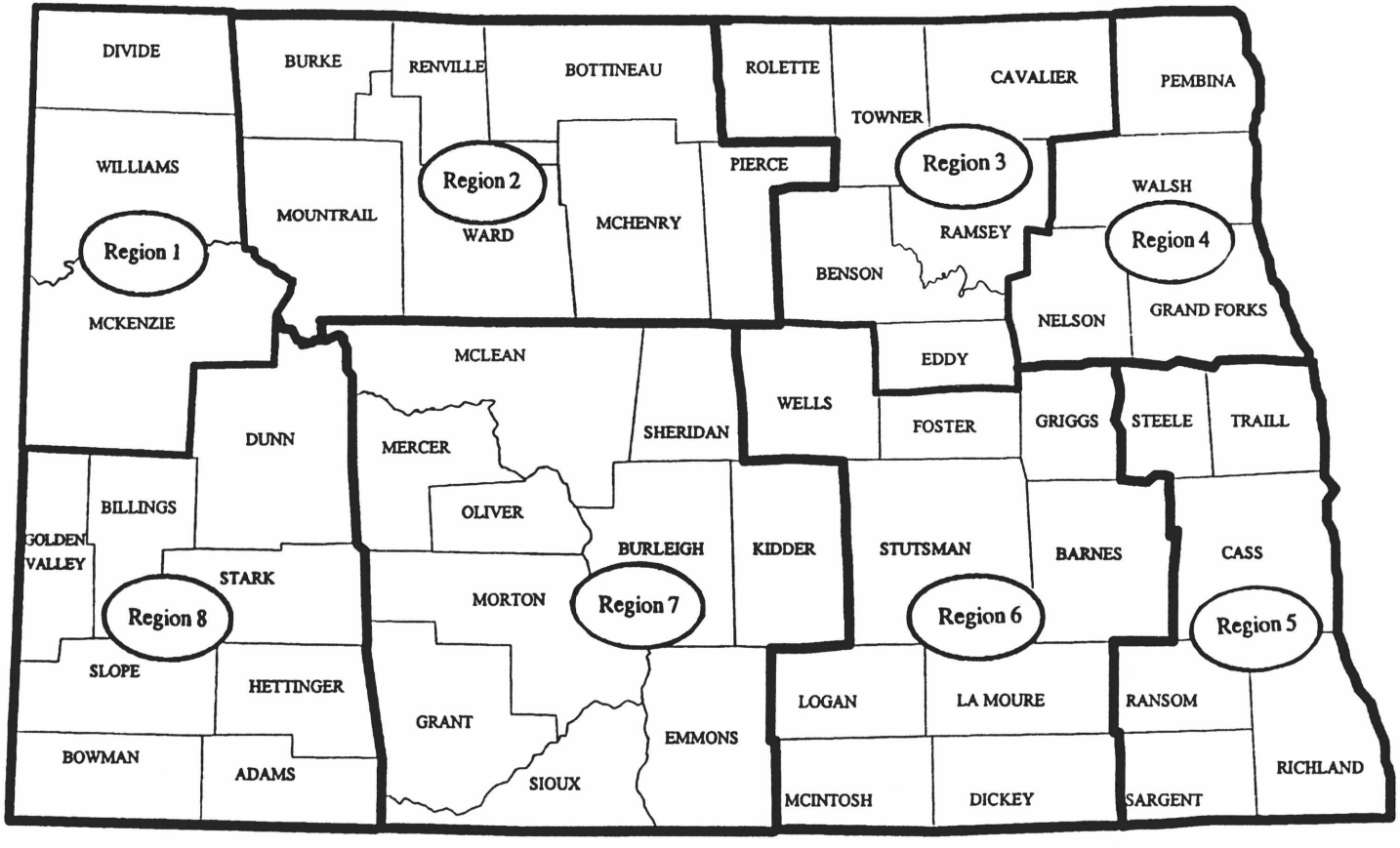
four campuses. These numbers do not include the training events that were identified by the two-year campuses and referred to other colleges or training providers.

- The fact that all plans were completed in less than a month demonstrates the importance the two-year campuses placed on this request and this opportunity. The senior management of the campuses involved in this effort fully recognized the importance of preparing plans which accurately describe the resourcefulness, market needs, record of performance, and the commitment for carrying out the responsibilities of workforce training.

- There are strong signals that business and industry throughout the state are beginning to realize their future is closely tied to the training they are able to provide to their employees. Workforce training is also key component to economic development strategies. There are a number of examples of the increased level of awareness: (1) the results of the surveys of business and industry conducted by BSC and UND-Williston and referenced in their business plans; (2) the private sector involvement and support to create the Skills and Technology Training Center in Fargo; (3) the creation of a Workforce Training Office and position at UND in Grand Forks, and; (4) the dramatic increase in training conducted in all areas of the state as reported through the CTN.

- Local focus is one of the key success factors for workforce training operations. The local advisory committee is the critical link that keeps the campus and the business community connected. That link is essential for local support and involvement including private funding support.

- It appears from a market potential standpoint, that there is a sufficient number of employers and employees in all four quadrants of the state - a critical mass - to sustain an efficient workforce training system in each region. Another indication of critical mass is the value of property in each region. The property values, as indicated by taxable valuations, range from 18% to 37% among the four potential regions of the state.



ATTACHMENT 1. NORTH DAKOTA COUNTIES BY STATE PLANNING REGION

ATTACHMENT 2. Number Employers & Employment by Region

Service Region	Number of Employers		Covered Employment	
	Total	Percent	Number	Percent
Northwest	4,075	18.2%	47,821	15.9%
Northeast	4,465	19.9%	63,061	21.0%
Southwest	5,777	25.8%	74,184	24.7%
Southeast	8,089	36.1%	115,432	38.4%
TOTALS	22,406	100.0%	300,498	100.0%

FILE:EMPL-REG

ATTACHMENT 3. COMPARISONS: IOWA AND NORTH DAKOTA

State/Region	Population	Employers	Labor Force	Unemployed
Iowa	2,776,755	88,781	1,555,920	51,150
Cedar R.	358,382	10,927	221,340	6,130
North Dak.	638,800	22,337	347,543	8,852
ND%of Iowa	23.0%	25.2%	22.3%	17.3%
ND% of CR	178.2%	204.4%	157.0%	144.4%
NW Reg.	121,106	4,073	58,741	1,466
NE Reg.	143,464	4,398	58,741	1,466
SE Reg.	208,958	8,089	124,549	2,057
SW Reg.	165,272	5,777	93,299	2,685
NW % C.R.	33.8%	37.3%	26.5%	23.9%
NE % C.R.	40.0%	40.2%	26.5%	23.9%
SE % C.R.	58.3%	74.0%	56.3%	33.6%
SW % C.R.	46.1%	52.9%	42.2%	43.8%
Ave% C.R.	44.6%	51.1%	37.9%	31.3%
Largest Iowa	609,337	20,228	369,930	9,840
Largest ND	208,958	8,089	124,549	2,057
Smallest Iowa	55,184	1,598	17,984	1,240
Smallest ND	121,106	4,073	58,741	1,466
Ave Iowa	198,340	6,342	111,137	3,654
Ave ND	159,700	5,584	83,833	1,919

FILE:ND-IOWA

ATTACHMENT 4. Time Lines and Functions Used in the Preparation of the Campus Business Plans on Workforce Training

- **November 17:** The Task Force Report was released to the public at the Annual Business Conference.

- **November 18:** NDUS Cabinet meeting was held by conference call. The major agenda item was a briefing on the Task Force Report. It was announced that the Task Force had requested business plans be prepared by the four two-year colleges that were being considered to be assigned primary responsibility for workforce training. During the Cabinet meeting, arrangements were made to hold a special meeting of the four campuses to be involved in preparing the business plans.

- **November 18:** Roger Reierson, Chairman of the Task Force, and Dale Anderson, GNDA President, provided a briefing to the State Board of Higher Education on the Task Force Report and the individual recommendations. Chairman Reierson discussed the purpose of the campus business plans along with the specific information the Task Force was asking to have included.

- **November 23:** A conference call meeting of the Management Team for the Customized Training Network (CTN) was held to discuss how the CTN can or should fit in and be supportive of the new workforce training model being implemented.

- **November 24:** A meeting was held at BSC involving the Executive Director of CTEC, University System Office, and the CEOs and key staff from each of the four two-year campuses that were asked to prepare business plans. The group reviewed several outlines for preparing business plans and selected components of the various outlines which were considered relevant to the request and which would meet the expressed expectations of the Task Force. The individuals on each campus to be involved in the preparation of the plan were identified and a contact person for each campus for the project was designated. In addition, a time line outlining the tasks to be completed by target dates was developed. December 14, 1998 was the date agreed upon for all plans to be completed and forwarded to the Task Force Steering Committee.

- **December 4:** A conference call was held involving the task teams from each of the four campuses, the University System Office and the Executive Director of CTEC. The purpose of the meeting was to review progress, identify potential barriers to the timely completion of the plans and assure that the information being provided directly addressed the requests of the Task Force, as well as the specific questions posed by the legislative leadership.

- **December 7:** A conference call was held involving the campus CEOs, campus task team members, and University System Office. The purpose of the conference call was to review progress and make arrangements for finalizing the plans, summarizing the results, printing, and forwarding the plans to the members of the Task Force Steering

Committee. Arrangements were made to fax draft copies of the reports to the four other campuses involved, the University System Office and the CTEC Director. The exchange of information was intended to assure compatibility of information being prepared and, in turn, allow easy analysis by the Task Force in reviewing the business plans.

- **December 9:** A conference call meeting of the Management Team for CTN was held to finalize the information regarding CTN to be included in the report to the Task Force.

- **December 11:** Final plans were faxed to the Executive Director of CTEC for preparation of a summary and overview report of the information included in the campus business plans.

- **December 14:** The Summary of Business Plans and the individual campus business plans were printed.

- **December 15-16:** A Chancellor's Cabinet (chancellor, vice chancellors, and campus CEOs) retreat was held at which the recommendations of the Task Force on Improving Workforce Development and Training were reviewed and discussed. Copies of the campus business plans and the summary report were distributed to the Cabinet members.

- **December 18:** The Steering Committee for the Task Force met to review the campus business plans. The Committee reviewed the plans, identified areas of strengths and inconsistencies, offered suggestions where additional information or explanations would be helpful, and recommended that the plans be submitted to someone in the financial community, specialized in reviewing business plans, for further comment and recommendations. SBA was suggested as a possibility for reviewing the plans.

- **December 21-23:** The comments and suggestions of the Steering Committee were conveyed by phone to the four campuses that submitted business plans for consideration in revising and finalizing the plans prior to the Task Force meeting to be held on January 26, 1999.

- **December 30:** Copies of the campus business plans and the summary of the business plans were forwarded to the Small Business Administration for review and comment.

- **January 6:** A list of the comments and suggestions from the Steering Committee were faxed to each of the four campuses involved for consideration in revising their respective business plans.

- **January 8 & 12:** The Small Business Administration provided comments and suggestions on the campus business plans.

- **January 11:** The CEOs of the four two-year campuses that prepared business plans met to review the recommendations and to agree on changes needed.

- **January 13:** A conference call was held with the contact persons for the four campuses preparing revised business plans to clarify suggestions and expectations resulting from the Steering Committee meeting of December 18.

- **January 21:** The revised campus business plans were finalized and forwarded to the Steering Committee on January 21, 1999.

- **January 26:** The Steering Committee met to review the revised campus business plans. The Committee identified areas where explanations or additional back-up information might be needed in response to potential questions from legislators. The Committee then approved the revised plans for recommendation to the Task Force.

- **January 26:** The Task Force met to: receive reports from the Task Force members regarding responses received to the proposed new workforce training initiative; discuss status reports on implementing the new workforce training initiative through the Legislature and the State Board of Higher Education; discuss the status of funding the workforce initiative, and; determine the next step for the Task Force.

ATTACHMENT 3. Summary of Revenue Items in Campus Budgets

	Current	Expansion Projections			
	FY99	FY00	FY01	FY02	FY03
Training Rev:					
BSC	$156,100	$206,300	$256,700	$298,800	$345,000
NDSCS	$341,700	$425,000	$480,000	$570,000	$660,000
UND-LR	$70,630	$100,000	$165,000	$220,000	$300,000
UND-W	$82,000	$135,000	$150,000	$200,000	$230,000
TOTALS	$650,430	$866,300	$1,051,700	$1,288,800	$1,535,000
Region Funds:					
BSC	$0	$125,000	$125,000	$125,000	$125,000
NDSCS	$0	$110,000	$120,000	$145,000	$165,000
UND-LR	$0	$53,880	$111,350	$113,438	$86,431
UND-W	$0	$59,000	$69,300	$79,500	$84,800
TOTALS	$0	$347,880	$425,650	$462,938	$461,231
Instit. Funds:					
BSC	$70,000	$34,900	$35,900	$37,000	$38,100
NDSCS	$197,500	$39,100	$40,300	$41,500	$42,800
UND-LR	$51,740	$48,000	$50,000	$52,000	$54,000
UND-W	$38,871	$32,400	$33,300	$34,300	$35,400
TOTALS	$358,111	$154,400	$159,500	$164,800	$170,300
State Funds:					
BSC	$0	$130,000	$130,000	$175,500	$175,500
NDSCS	$0	$180,000	$180,000	$243,000	$243,000
UND-LR	$0	$100,000	$100,000	$135,000	$135,000
UND-W	$0	$90,000	$90,000	$121,500	$121,500
TOTALS	$0	$500,000	$500,000	$675,000	$675,000
BIENIUM TOTAL			$1,000,000		$1,350,000
All Rev. & Funds:					
BSC	$226,100	$496,200	$547,600	$636,300	$683,600
NDSCS	$539,200	$754,100	$820,300	$999,500	$1,110,800
UND-LR	$122,370	$301,880	$426,350	$520,438	$575,431
UND-W	$120,871	$316,400	$342,600	$435,300	$471,700
TOTALS	$1,008,541	$1,868,580	$2,136,850	$2,591,538	$2,841,531
State Funds %:					
BSC	0%	26.2%	23.7%	27.6%	25.7%
NDSCS	0%	23.9%	21.9%	24.3%	21.9%
UND-LR	0%	33.1%	23.5%	25.9%	23.5%
UND-W	0%	28.4%	26.3%	27.9%	25.8%
TOTALS	0%	26.8%	23.4%	26.0%	23.8%

FILE:BUSBUDG

ATTACHMENT 5. SUMMARY OF REVENUE ITEMS IN CAMPUS BUDGETS

	Current	Expansion Projections			
	FY99	FY00	FY01	FY02	FY03
Training Rev:					
BSC	$156,100	$206,300	$256,700	$298,800	$345,000
NDSCS	$341,700	$425,000	$480,000	$570,000	$660,000
UND-LR	$70,630	$100,000	$165,000	$220,000	$300,000
UND-W	$82,000	$135,000	$150,000	$200,000	$230,000
TOTALS	$650,430	$866,300	$1,051,700	$1,288,800	$1,535,000
Region Funds:					
BSC	$0	$125,000	$125,000	$125,000	$125,000
NDSCS	$0	$110,000	$120,000	$145,000	$165,000
UND-LR	$0	$54,000	$111,500	$113,500	$117,500
UND-W	$0	$59,000	$69,300	$79,500	$84,800
TOTALS	$0	$348,000	$425,800	$463,000	$492,300
Instit. Funds:					
BSC	$70,000	$34,900	$35,900	$37,000	$38,100
NDSCS	$197,500	$39,100	$40,300	$41,500	$42,800
UND-LR	$51,740	$48,000	$50,000	$52,000	$54,000
UND-W	$38,871	$32,400	$33,300	$34,300	$35,400
TOTALS	$358,111	$154,400	$159,500	$164,800	$170,300
State Funds:					
BSC	$0	$130,000	$130,000	$175,500	$175,500
NDSCS	$0	$180,000	$180,000	$243,000	$243,000
UND-LR	$0	$100,000	$100,000	$135,000	$135,000
UND-W	$0	$90,000	$90,000	$121,500	$121,500
TOTALS	$0	$500,000	$500,000	$675,000	$675,000
BIENIUM TOTAL			$1,000,000		$1,350,000
All Rev. & Funds:					
BSC	$226,100	$496,200	$547,600	$636,300	$683,600
NDSCS	$539,200	$754,100	$820,300	$999,500	$1,110,800
UND-LR	$122,370	$302,000	$426,500	$520,500	$606,500
UND-W	$120,871	$316,400	$342,600	$435,300	$471,700
TOTALS	$1,008,541	$1,868,700	$2,137,000	$2,591,600	$2,872,600
State Funds %:					
BSC	0%	26.2%	23.7%	27.6%	25.7%
NDSCS	0%	23.9%	21.9%	24.3%	21.9%
UND-LR	0%	33.1%	23.4%	25.9%	22.3%
UND-W	0%	28.4%	26.3%	27.9%	25.8%
TOTALS	0%	26.8%	23.4%	26.0%	23.5%

FILE:BUSP1-27

Task Force for Improving Workforce
Development and Training

TASK FORCE FOR IMPROVING WORKFORCE DEVELOPMENT

MEMBERSHIP

ANDERSON, Dale-President, Greater North Dakota Association
BOUCHER, Merle-ND House of Representatives, Rollette
CAMPBELL, John- President, Chamber of Commerce of Fargo-Moorhead
CASPERS, Craig-Member, Board of Higher Education, Wahpeton
CHAFFEE, Ellen-President, Valley City State College
CRAMER, Kevin-Director, Department of Economic Development and Finance
DORSO, John-ND House of Representatives, Fargo
DUNN, Eddie-Director, College Technical Education Council, Fargo
FICK, Verlyn-ND State College of Science, Wahpeton
GLADDEN, Jennifer-Director, Job Service North Dakota
GLATT, Laura- Vice Chancellor, ND University System
GOETZ, Bill-Chief of Staff, Governor's office
GRINDBERG, Tony-ND State Senate & Economic Development Corp., Fargo
GUSTAFSON, Mike-Director, Cass County Rural Electric Cooperative, Kindred
HILLMAN, Mike-Vice Chancellor for Academic Affairs, ND University System
HOEVEN, Jack-President, ND Board of Higher Education, Minot
ISAAK, Larry-Chancellor, ND University System
JOHNSON, Dennis-Chairman, ND Workforce Development Council, Dickinson
MacIVER, Dave-President, Bismarck-Mandan Chamber of Commerce
MARCIL, Bill-Forum Publishing Co., Fargo
MATHERN, Tim- ND State Senate, Fargo
NELSON, Gary-ND State Senate, Casselton
OLSON, Carol-Director, Department of Human Services
OLSON, Mel-Director, State Board for Vocational and Technical Education
OVEL, Steven-Kirkwood Community College, Cedar Rapids, IA
REIERSON, Roger-President, Flint Communications, Fargo
ROLOFF, Don-Supervisor of Training, Board for Vocational and Technical Education
SCHWARTZ, Randy-Deputy Director, Dep't of Economic Development and Finance
STAIGER, Russ-President, Bismarck-Mandan Development Association
SYRIA, M.E.-President, Consultants, Inc., Minot
THIGPEN, Donna-President, Bismarck State College
UECKER-RUST, Jodi-Group Vice President, Great Plains Software, Fargo
ZEITLER, Fraine-Director, ND Workforce Development Council

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Task Force for Improving Workforce
Development and Training

ENTITIES SUPPORTING PASSAGE OF HB 1443

Amoco Oil Co. Refinery, Mandan
Bismarck Mandan Chamber of Commerce
Bismarck-Mandan Development Association
BNI Coal. Ltd., Bismarck
Chamber of Commerce of Fargo Moorhead
Devils Lake Area Chamber of Commerce
Dickinson Area Chamber of Commerce
Dickinson State University
First Southwest Bank, Bismarck
Grand Forks Chamber of Commerce
Great River Energy, Underwood
Greater North Dakota Association, Bismarck
Jamestown Area Chamber of Commerce
Minot Area Chamber of Commerce
Minot State University
Montana Dakota Utilities Co., Bismarck
North Dakota State College of Science, Wahpeton
North Dakota University System
Richland County Area Vocational & Technology Center, Wahpeton
St. Alexius Medical Center, Bismarck
Stark Development Corporation, Dickinson
TMI Systems Design Corporation, Dickinson
University Foundation at Williston
Valley City Area Chamber of Commerce
Wahpeton Area Chamber of Commerce
Wahpeton Community Development Corp.
West Fargo Chamber of Commerce
Williston Area Chamber of Commerce
All members of the Task Force

In cooperation with...

College Technical Education Council • Customized Training Network • Department of Economic Development & Finance • Department of Human Services
Greater North Dakota Association • Job Service North Dakota • North Dakota State Board for Vocational Technical Education • North Dakota University System
North Dakota Workforce Development Council • Office of the Governor • State Legislative Leadership • Vision 2000 Leadership

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Presentation to House Education Committee on HB 1443

By Larry A. Isaak, Chancellor of the North Dakota University System

February 3, 1999

Good afternoon Madam Chair and members of the House Education Committee. I am Larry Isaak, Chancellor of the North Dakota University System. It is a special pleasure for me to appear before you, along with a number of others who are here today, in support of House Bill 1443 with the amendments that have been presented.

Before making comments on the bill, I would like to express my appreciation to the Task Force members who I had the pleasure of working with over the last several months in developing the Workforce Training Plan and the legislation we are discussing today. Not only are the recommendations in the plan sound, but the cooperation and trust demonstrated by this group has been impressive. It is my hope that we will be able to continue this cooperation and trust in addressing other issues important to the future of North Dakota.

I would also like to commend Governor Schafer for giving workforce training a high priority in his budget address and for providing funding for this initiative for the 1999-2001 biennium.

The work of the Task Force and the potential of House Bill 1443 could not be more timely. Three major studies have been conducted in North Dakota in the last three years and all have come to the same basic conclusions: First, North Dakota has an under-developed technical education system; Second, the training and retraining needs for business and industry are not being adequately met, and; Third, access to training, particularly in the western portion of the state, is a major concern. The Task Force report and the legislation you have before you addresses each of these three findings in a very direct manner.

The University System cooperated with the State Board for Vocational Technical Education and several other state agencies in forming the Customized Training Network in 1993 to address the issue of inadequate training available to business and industry in the State. As a result, the number of employees trained through the Customized Training Network increased from less than a thousand in 1994 to nearly 10,000 per year today. Although this is a dramatic increase, it is not enough to meet the demand.

To this point, we have had to approach workforce training as an "add-on" activity to the campus responsibilities. In the future, workforce training will need to be a central part of

the role and function of the two-year campuses in cooperation with the other campuses within the System and with the vocational centers, tribal colleges and private training providers in the State. House Bill 1443 will help move the University System and the workforce training system in North Dakota in that direction.

There are several others here today who will speak to the specifics of what this legislation will do. Therefore, my comments will be confined to the actions of the Board of Higher Education and the campus CEOs.

I am pleased to report to you that the State Board of Higher Education, at its meeting on January 28, 1999, unanimously adopted all of the recommendations which the Task Force referred to the Board. A copy of the Board action is attached to my testimony. Following the discussion and the vote to adopt the recommendations as Board policy, President Jack Hoeven commented on the action taken by the Board. I have attached a copy of Mr. Hoeven's remarks to my testimony and I encourage you to read his comments as you contemplate action on this legislation.

I am also pleased that the Task Force is recommending (and House Bill 1443 also provides) that the campuses to be assigned primary responsibility for workforce training will continue to operate under the governance of the State Board of Higher Education. This arrangement is especially beneficial to a state such as North Dakota that has limited resources to invest. The Plan allows for the establishment of local workforce training boards for each of the campuses that are assigned primary responsibility for workforce training while preserving the other important benefits of a unified university system. Those benefits include: ease of transfer of courses and credits; increased collaboration in the offering of courses including courses delivered over the IVN system; avoidance of unnecessary duplication of programs, and; increased efficiencies from investments in infrastructure, data bases and information sharing arrangements. A unified system also avoids having the campus presidents attempting to answer to two separate governing boards.

As I was preparing my comments for this hearing today, I couldn't help but think back on the discussions that have taken place at the Cabinet and Board of Higher Education meetings over the last several months. As I did so, I was reminded of a statement that a friend of mine made to me a number of years ago. He said, it is when the issues are especially challenging that you find out the true qualities of the people involved. I have never forgotten that statement. With that thought in mind, I want to take just a moment to tell you how proud I am of the campus presidents (some of whom are here today) as they discussed and struggled with the recommendations in the Task Force Plan.
As you can imagine, some of the recommendations and the resulting decisions that had to be made were very sensitive. Many were not easy. To give you just one example, the

decision to discontinue the branch campus relationship of the University of North Dakota with UND-Williston and UND-Lake Region, was especially sensitive. But that decision was made and it was made by putting the needs of North Dakota and the citizens first. There were a number of other decisions that had to be made that were also difficult for the campuses involved. But again, the true qualities of the campus CEOs came through in an unselfish and cooperative manner. That is why I say I am proud of how the campuses have responded to the challenges that were put before them during these last several months. I am also proud of the State Board of Higher Education in providing support to the campuses during this challenging process.

Let me say in closing, and based on the assumption the amendments that have been presented are adopted by this committee, that the campus CEOs and the State Board of Higher Education fully support the legislation with the amendments you have before you. This legislation will go a long way in helping bring about the changes called for in the Bush Panel Report to the Board of Higher Education. The legislation is also consistent with the goals and strategies which the Board of Higher Education has included in its Six-Year Plan.

That concludes my comments. I will be pleased to respond to any questions that you may have. Thank you again for the opportunity to provide testimony to your committee.

###

Presentation to Senate Education Committee on HB-1443
By Larry A. Isaak, Chancellor of the North Dakota University System
March 2, 1999

Good afternoon Mr. Chairman and members of the Senate Education Committee. I am Larry Isaak, Chancellor of the North Dakota University System. Thank you for the opportunity to appear before you in support of House Bill 1443 with the amendment to add back the appropriation section and the $1 million in funding that were removed from the Bill in the House.

Before making comments on this bill, I would like to express my appreciation to the Task Force members who I had the pleasure of working with over the last several months in developing the Workforce Training Plan and the legislation we are discussing today. Not only are the recommendations in the plan sound, but the cooperation and trust demonstrated by this group has been impressive. It is my hope that we will be able to continue this cooperation and trust in addressing other issues important to the future of North Dakota.

I would also like to commend Governor Schafer for giving workforce training a high priority in his budget address and for recommending $1 million in funding for this initiative for the 1999-2001 biennium.

The work of the Task Force and the potential of House Bill 1443 could not be more timely. Three major studies have been conducted in North Dakota in the last three years and all have come to the same basic conclusions: First, North Dakota has an under-developed technical education system; Second, the ability to meet the training and retraining needs for business and industry must be improved, and; Third, access to training, particularly in the western portion of the state, is a major concern. The Task Force report and the legislation you have before you addresses each of these three findings in a very direct manner.

The University System cooperated with the State Board for Vocational Technical Education and several other state agencies in forming the Customized Training Network in 1993 to address the issue of inadequate training available to business and industry in the State. As a result, the number of employees trained through the Customized Training Network increased from less than a thousand in 1994 to nearly 13,500 per year as of 1998. Although this is a dramatic increase, it is not enough to meet the demand.

To this point, we have had to approach workforce training as an Add-on activity to the

campus responsibilities. In the future, workforce training will need to be a central part of the role and function of the two-year campuses in cooperation with the other campuses within the System and with the vocational centers, tribal colleges and private training providers in the State. House Bill 1443 will help move the University System and the workforce training system in North Dakota in that direction.

There are several others here today who will speak to the specifics of what this legislation will do. Therefore, my comments will be confined to the actions of the Board of Higher Education and the campus CEOs.

I am pleased to report to you that the State Board of Higher Education, at its meeting on January 28, 1999, unanimously adopted all of the recommendations which the Task Force referred to the Board. A copy of the Board action is attached to my testimony. Following the discussion and the vote to adopt the recommendations as Board policy, President Jack Hoeven commented on the action taken by the Board. I have attached a copy of Mr. Hoeven's remarks to my testimony and I encourage you to read his comments as you contemplate action on this legislation.

I am also pleased that the Task Force is recommending (and House Bill 1443 also provides) that the campuses to be assigned primary responsibility for workforce training will continue to operate under the governance of the State Board of Higher Education. This arrangement is especially beneficial to a state such as North Dakota that has limited resources to invest. The Plan allows for the establishment of local workforce training boards for each of the campuses that are assigned primary responsibility for workforce training while preserving the other important benefits of a unified university system. Those benefits include: ease of transfer of courses and credits; increased collaboration in the offering of courses including courses delivered over the IVN system; avoidance of unnecessary duplication of programs, and; increased efficiencies from investments in infrastructure, data bases and information sharing arrangements. A unified system also avoids having the campus presidents attempting to answer to two separate governing boards.

As I was preparing my comments for this hearing today, I could not help but think back on the discussions that have taken place at the Cabinet and Board of Higher Education meetings over the last several months. As I did so, I was reminded of a statement that a friend of mine made to me a number of years ago. He said, it is when the issues are especially challenging that you find out the true qualities of the people involved. I have never forgotten that statement. With that thought in mind, I want to take just a moment to tell you how proud I am of the campus presidents (some of whom are here today) as they discussed and struggled with the recommendations in the Task Force Plan.

As you can imagine, some of the recommendations and the resulting decisions that had to be made were very sensitive. Many were not easy. To give you just one example, the decision to discontinue the branch campus relationship of the University of North Dakota with UND-Williston and UND-Lake Region, was especially sensitive. But that decision was made and it was made by putting the needs of North Dakota and the citizens first. There were a number of other decisions that had to be made that were also difficult for the campuses involved. But again, the true qualities of the campus CEOs came through in an unselfish and cooperative manner. That is why I say I am proud of how the campuses have responded to the challenges that were put before them during these last several months. I am also proud of the State Board of Higher Education in providing support to the campuses during this challenging process.

Let me say in closing, and based on the assumption the amendment that has been presented is adopted by this committee, that the campus CEOs and the State Board of Higher Education fully support the legislation you have before you. It will go a long way in helping bring about the changes called for in the Bush Panel Report to the Board of Higher Education. The legislation is also consistent with the goals and strategies which the Board of Higher Education has included in its Six-Year Plan.

That concludes my comments. I will be pleased to respond to any questions that you may have. Thank you again for the opportunity to provide testimony to your committee.

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HB 1443
3/9/99
Larry Isaak

Presentation to Senate Appropriations Committee on HB-1443
By Larry A. Isaak, Chancellor of the North Dakota University System
March 9, 1999

Good afternoon Mr. Chairman and members of the Senate Appropriations Committee. I am Larry Isaak, Chancellor of the North Dakota University System. Thank you for the opportunity to appear before you in support of House Bill 1443. This bill, as already explained by Roger Reierson, represents a thoroughly researched and well thought-out plan for improving workforce training in North Dakota. To allow this plan to move forward, I respectfully request that you restore the $1 million in funding recommended by Governor Schafer, that was removed from the Bill in the House, and that you then give the bill a do-pass recommendation.

Before making comments on this bill, I would like to express my appreciation to the Task Force members who I had the pleasure of working with over the last several months in developing the Workforce Training Plan and the legislation we are discussing today. Not only are the recommendations in the plan sound, but the overall cooperation and trust demonstrated by this group has been impressive. It is my hope that we will be able to continue this cooperation and trust in addressing other issues important to the future of North Dakota.

I would also like to commend Governor Schafer for giving workforce training a high priority in his budget address and for recommending $1 million in funding for this initiative for the 1999-2001 biennium.

The work of the Task Force and the potential of House Bill 1443 could not be more timely. Three major studies have been conducted in North Dakota in the last three years and all have come to the same basic conclusions: First, North Dakota has an under-developed technical education system; Second, the ability to meet the training and retraining needs for business and industry must be improved, and; Third, access to training, particularly in the western portion of the state, is a major concern. The Task Force report and the legislation you have before you addresses each of these three findings in a very direct manner.

The University System cooperated with the State Board for Vocational Technical Education and several other state agencies in forming the Customized Training Network in 1993 to address the issue of inadequate training available to business and industry in the State. As a result, the number of employees trained through the Customized Training

Network increased from less than a thousand in 1994 to nearly 13,500 per year as of 1998. Although this is a dramatic increase, it is not enough to meet the demand.

To this point, we have had to approach workforce training as an Add-on activity to the campus responsibilities. In the future, workforce training will need to be a central part of the role and function of the two-year campuses in cooperation with the other campuses within the System and with the vocational centers, tribal colleges and private training providers in the State. House Bill 1443 will help move the University System and the workforce training system in North Dakota in that direction.

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I am also pleased that the Task Force is recommending (and House Bill 1443 also provides) that the campuses to be assigned primary responsibility for workforce training will continue to operate under the governance of the State Board of Higher Education. This arrangement is especially beneficial to a state such as North Dakota that has limited resources to invest. The Plan allows for the establishment of local workforce training boards for each of the campuses that are assigned primary responsibility for workforce training while preserving the other important benefits of a unified university system. Those benefits include: ease of transfer of courses and credits; increased collaboration in the offering of courses including courses delivered over the IVN system; avoidance of unnecessary duplication of programs, and; increased efficiencies from investments in infrastructure, data bases and information sharing arrangements. A unified system also avoids having the campus presidents attempting to answer to two separate governing boards.

As I was preparing my comments for this hearing today, I could not help but think back on the discussions that have taken place at the Cabinet and Board of Higher Education meetings over the last several months. As I did so, I was reminded of a statement that a

friend of mine made to me a number of years ago. He said, it is when the issues are especially challenging that you find out the true qualities of the people involved. I have never forgotten that statement. With that thought in mind, I want to take just a moment to tell you how proud I am of the campus presidents (some of whom are here today) as they discussed and struggled with the recommendations in the Task Force Plan.

As you can imagine, some of the recommendations and the resulting decisions that had to be made were very sensitive. Many were not easy. To give you just one example, the decision to discontinue the branch campus relationship of the University of North Dakota with UND-Williston and UND-Lake Region, was especially sensitive. But that decision was made and it was made by putting the needs of North Dakota and the citizens first. There were a number of other decisions that had to be made that were also difficult for the campuses involved. But again, the true qualities of the campus CEOs came through in an unselfish and cooperative manner. That is why I say I am proud of how the campuses have responded to the challenges that were put before them during these last several months. I am also proud of the State Board of Higher Education in providing support to the campuses during this challenging process.

Let me say in closing, and based on the assumption the funding level recommended by the Governor will be restored, that the campus CEOs and the State Board of Higher Education fully support the legislation you have before you. It will go a long way in helping bring about the changes called for in the Bush Panel Report to the Board of Higher Education. The legislation is also consistent with the goals and strategies which the Board of Higher Education has included in its Six-Year Plan.

That concludes my comments. I will be pleased to respond to any questions that you may have. Thank you again for the opportunity to provide testimony to your committee.

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HB 1443
3/9/99
Jason Bernhardt
#6

North Dakota Student Association

HB 1443
Testimony – Jason Bernhardt, North Dakota Student Association
March 9, 1999

Good afternoon Mr. Chairman and members of the committee. My name is Jason Bernhardt and I represent the North Dakota Student Association. NDSA is composed of student representatives from all of the publicly funded institutions of higher education. I am here today to testify, on behalf of the students, in regards to the work force training parts of this bill.

Every year, thousands of students graduate from institutions of higher learning in North Dakota. While more of these students stay in North Dakota, than leave, many of them do go elsewhere. Why? Simple – these students could not find a job in their area of expertise. This recurring theme has data to prove its validity. In surveys of graduated students, from many of the institutions of higher education, there is always a huge margin of students that indicate they would still be in North Dakota if they could have found in job that they were trained for. Equally important is the difference between classroom training and hands-on training. Many students report that they were very well prepared for the general concept of what they would be doing but wish they would have had more specific training.

HB 1443 allows institutions of higher education to develop training that is geared towards specific jobs rather than a general background. Students will be able to receive invaluable hands-on experience that will prepare them for the future. With input from local business and industry leaders, the training will be adapted to specific skills that employers are looking for in graduates. Not only will this bill allow for training but it may also foster more partnerships between universities and businesses. There is high demand for North Dakota graduates around the region and the nation. This program will make it easier to keep these quality students at home. It could lead to increased retention rates and a bright future for North Dakota.

The job of higher education is to deliver high-quality products (students) to its customers (employers). This bill will provide the best way possible to offer the customers what they want by allowing employers to inform our schools what training they are looking for in employees.

The students are very excited and curious as to the possibilities that this bill may offer them. We support it and hope that you will do so as well.

Representative Kelsch, Members of the Committee

My name is Sharon Etemad. I am the Executive Dean/CEO at UND-Lake Region in Devils Lake, North Dakota. I am here today to testify in support of HB 1443 with ammendments.

I am in full support of the comments presented in testimony today and would like to make two points.

First, the Workforce Training Model before you is evidence of the redesigning of the system of higher education in North Dakota, particularly in relation to the two-year college. This redesign has been underway for a number of years and has begun to bear fruit in some very exciting outcomes.

When I returned to North Dakota 16 years ago after having lived in two states with well developed two-year college systems, I found that North Dakota's two-year colleges were fragmented and underdeveloped and not prepared to meet the emerging workforce needs. Minnesota had recognized the lack of development and had taken advantage of the situation by developing two-year colleges in Moorhead and East Grand Forks. Research has shown that we have a high high retention rate of the two-year college graduates of our North Dakota colleges, but we were losing up to 1200-1500 students each year to the the Minnesota system. Once in the Minnesota System, these students often do not come back to North Dakota. The reult is a loss of key technically trained individuals.

Recognizing the need to create a more coherent two-year college delivery to all parts of the state, the two-colleges began working together to develop a coherent two-year delivery system. This effort has been underway for a number of years and has resulted in some very concrete outcomes.

.Executive Director of the two-year colleges - leadership at NDUS, state

.College Technical Education Council formed - system cooperation

.Mission Mapping - focus and direction for traditional curriculum

.General Education Agreement - transfer improvement

.Common Course Name and Numbering System - transfer improvement

.Joint Grants - resource sharing

.Customized Training Network - beginnings of statewide training delivery

.Workforce Funding Request - last biennium - Institutional Model

.Workforce Training Model - State-wide Model Based on Best Practice

This process of development has led the North Dakota University System to the creation of a coherent statewide delivery model for two-year programming and workforce training. I believe that this redesign sets the stage for an exciting future for the role of two-year colleges in North Dakota. As we move from a competitive, fragmented system to a coherent, cooperative model of delivery, we can address training needs more proactively not only for business and industsry, but also in our traditional transfer and vocational/technical offerings.

These comments move me to my final point. We have had major regions of the state not served by two-year programming. With the quadrant responsibility defined in the Workforce Training Model, business and industry will have a single point of contact. This does not mean there will be a single point of delivery. Grand Forks is a major community in the Northeast quadrant assigned to UND-Lake Region. Our business plan demonstrates the cooperation between two campuses to meet the needs of workforce training in Grand Forks. UND will provide office space, and personnel support. Cooperation between the Devils Lake site and the Grand Forks site will develop outreach to the Langdon, Pembina, Cavelier, Grafton, Rolla and other rural communities.

The plan before you address the needs not only of the business and industry surrounding college communities, but of the state as a whole. The plan provides resources to meet the needs of outreach sites.

In conclusion, the Workforce Training Model addresses the training needs of business and industry throughout the state, but greater than that is a further step in the development and redesign of the two-year college governance, coherence, delivery and service.

I am extremely excited about the future potential for more fully utilizing the capacity of the two-year colleges in North Dakota. I would like to commend those who have had the insight and vision to bring this proposal to the table. I would be happy to answer questions related to the model and its impact on UND-Lake Region, particularly with regard to the change in governance.

DEVELOPING THE WORLD'S BEST WORKFORCE

An Agenda for America's Community Colleges

A Workplace In Transition

Rapid and profound change is transforming the American workplace.

Never before have workers been faced with the need to acquire the level and range of skills which will prepare them to meet and overcome the challenge of global competition. Americans must become increasingly adaptive and innovative as they develop the stronger intellectual and interpersonal skills required for a diverse, complex world.

This transformation reaches from the board room to the shop floor. In fact, front-line workers will be expected to have essentially the same broad set of skills previously required only of supervisors and managers.

"A growing number of businesses are realizing the value of community colleges—not only in providing them with skilled workers, but in helping them keep their current workforce on the cutting edge of new technologies."

Robert Reich
U.S. Secretary of Labor

Equally important, workers must have the opportunity to upgrade these skills on an ongoing basis. *If workers are to remain competitive, life-long learning must be the norm for the post-industrial workforce.*

In this new, more competitive age, America's community colleges have emerged as vanguard institutions in preparing workers and their companies for the challenges ahead. The community college's central role in workforce development reflects:

- the accessibility of community colleges to virtually all Americans;
- the diversity of workforce programs and services offered by community colleges; and
- the positive experiences of employers in working with community colleges in securing workforce development services.

Through partnerships—with business, industry and government—community colleges have assumed an increasingly central role in creating a high-quality, cost-effective and responsive workforce development delivery system. If provided with the resources, this system can keep America's workforce among the most efficient, skilled and adaptable in the world.

To Order the Book

The complete report of this national workforce development study is available. Copies of *Developing the World's Best Workforce: An Agenda for America's Community Colleges* can be purchased through AACC's Community College Press. Call 1-800-250-6557 to order or use the order form on the back page of this summary.

The National Workforce Development Study

To better understand the current state of the community college's role in workforce development, three Councils of the American Association of Community Colleges — COMBASE, the National Council for Continuing Education & Training, and the National Council for Occupational Education—have completed the National Workforce Development Study. This study of the employers/consumers, as well as the community college providers of workforce development programs and services sought:

1. To describe the workforce education, training, and retraining needs of America's workforce;

2. To identify those factors that contribute to the success of community college-based workforce education and training and those that are barriers to its success;

3. To accurately represent the effectiveness of community colleges in meeting workforce education and training needs to federal and state policy makers and the general public; and

4. To present study results in a manner that establishes for state and national legislators community colleges as the nation's preeminent workforce education and training delivery system.

A Two-Phase Study

The National Workforce Development Study was completed in two phases. In the first, more than 4,700 questionnaires were sent to employers, with more than 2,400 returned, giving a response rate of 53 percent. In the second phase, the continuing education administrators at 104 community colleges were asked to summarize their programs. These summaries included descriptions of exemplary practices and listed factors perceived as either promoting or impeding program success. Fifty-six administrators returned the questionnaire for a response rate of 54 percent.

Workforce Study Findings

Finding 1: Community colleges serve businesses of all types and sizes.

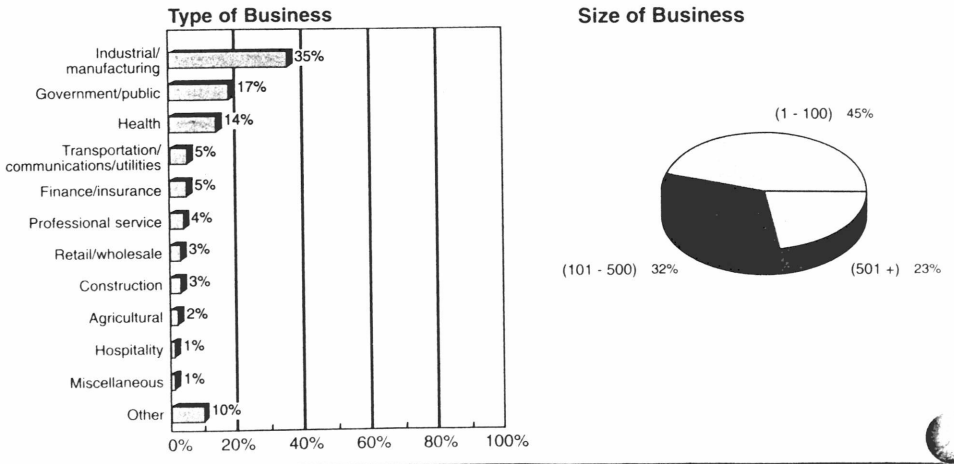
Community colleges provide workforce education and training to all types and sizes of businesses and organizations in the United States.

Responding employers were concentrated in the industrial/manufacturing, government/public services, and health services sectors. Just under half were small businesses, with 100 employees or fewer. Nearly one-third of the businesses were mid-sized, while large enterprises (with at least 501 employees) represented slightly more than 20 percent of participants (Figure 1).

Finding 2: Employees with enhanced workplace skills are needed to keep the American workplace competitive.

Employers indicated that workers need a firm foundation in basic communication and computational skills, expertise in technical and computer skills, enterprise-specific skills, the ability to work with others

Figure 1
Primary Types and Sizes of Businesses Served by Community Colleges



What Employers Have To Say:

"Instructors were extremely interested in the success of their students, were skillful in motivating employees to learn, and were able to relate curriculum to the real world of work, their key to success."

"The community college has been able to respond to training requirements with courses that hit the mark every time. The community college is our lifeline to higher education."

"Not only have our employees benefitted, but the community at large has benefitted."

in solving problems, and strong work ethics.

Other needs cited by employers reflect the redesign of companies around the principles of high-performance or the total quality management concept in response to global competition. High-performance employees need enhanced interpersonal skills, the capacity to think critically and creatively, personal ethics, and highly developed business, communication, and computational skills.

Finding 3: There is a growing need for workforce development.

Almost 80 percent of employers reported that from 26 to 100 percent of their current workforce requires training (Figure 2). This need continues to grow, as advancing technology, workplace innovation, and substantial changes in the composition of the workforce require ongoing training.

Nearly all employers (98 percent) also noted that technological change has increased the need for workforce development. Employers were most interested in workforce development programs that include both non-credit and credit classes (57 percent) or programs with just non-credit classes (38 percent).

Finding 4: Employer goals for workforce training focus on the bottom line.

Employers want training to have a positive impact on their companies' bottom lines. Almost three-fourths of employers surveyed sought workforce education and training to improve employee performance and productivity or to upgrade employee skills (Figure 3).

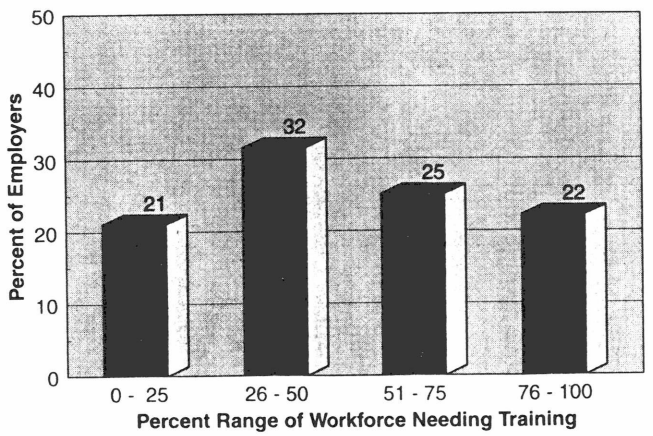
Employers also see the personal growth of their workforce as an important component of a strong company culture. Almost one-half of the businesses and organizations contracted with community colleges for workforce training programs to enrich the professional development of their employees.

Finding 5: Employers choose community colleges because they are cost-effective, responsive, and provide quality.

Cost-effectiveness was the most frequently cited reason given by businesses and organizations for selecting a community college to provide workforce education and training (Figure 4).

Businesses and organizations confirmed the importance of programs that customized training specifically to meet their particular needs and which also offered on-site convenience. Over one-half of

Figure 2
Extent of Current Workforce Need For Education and Training



the employers indicated that customization was an influential reason for their choice; a similar proportion of businesses and organizations reported that convenience was influential.

Finally, one-half of the employers indicated that the quality of instruction was an important consideration in their selection of a community college to meet their workforce education and training needs.

Finding 6. Employers give community colleges high ratings for the quality of their programs and for program responsiveness to employer needs.

The quality of the training provided by community colleges was rated as "good" or "excellent" by 96 percent of the responding businesses and organizations (Figure 5). Employers are *"pleased with the quality of classes and their content—timely, effective, and up to date."* Employers report positive changes in the performance of their employees and enriched employees' lives. Many employers noted that *"flexibility is the main reason they came to rely on the community college for much of their training needs."*

Figure 3

Percent of Employers Indicating Various Goals for Workforce Training

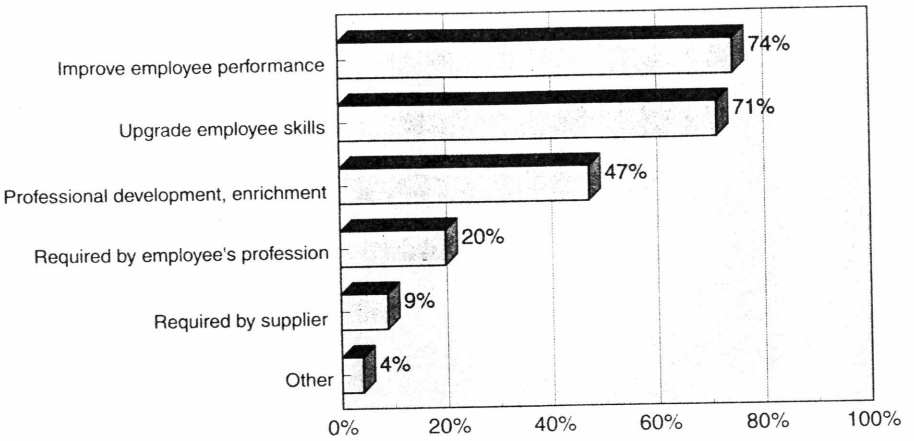


Figure 4

Reasons for Choosing Community Colleges for Workforce Education Training

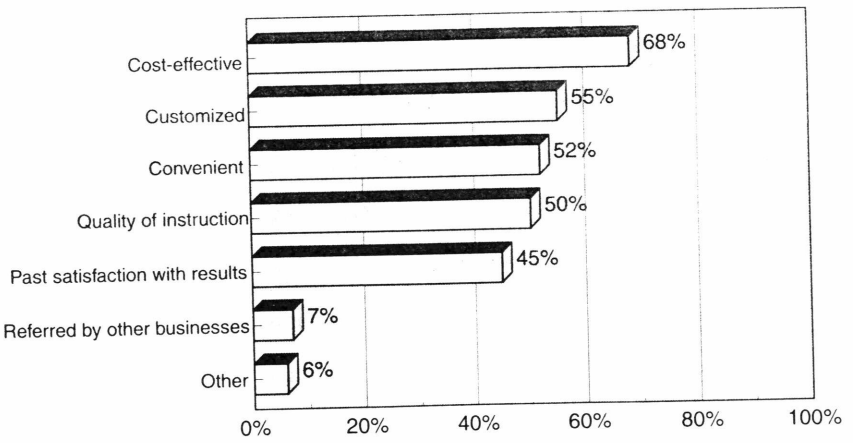
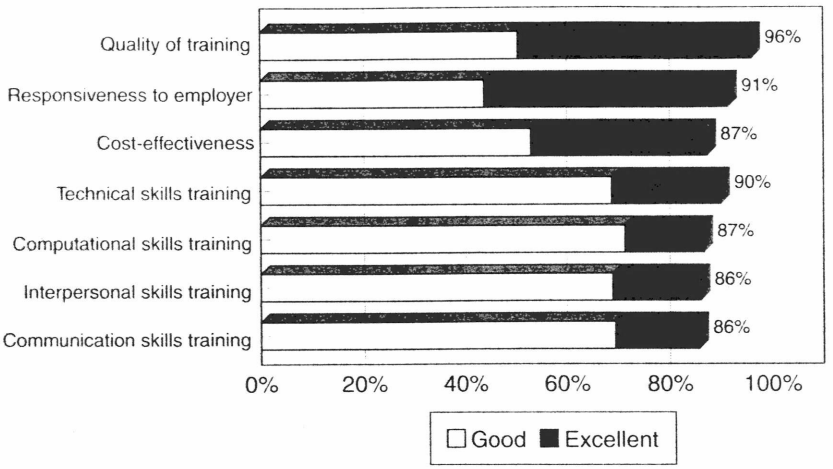


Figure 5
Employer Ratings of Good or Excellent Concerning Aspects of Workforce Programs

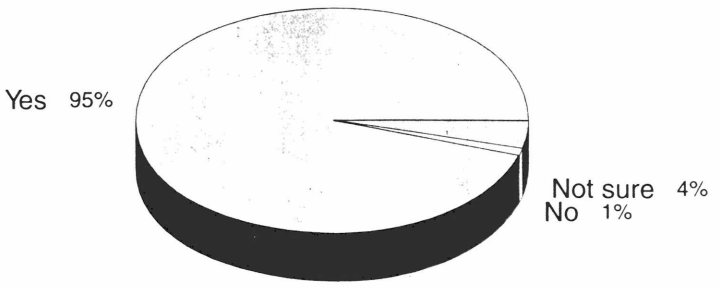


Finding 7: The vast majority of employers would recommend a community college for workforce training.

Ninety-five percent of the businesses and organizations responding to the survey would recommend community college workforce education and training programs to others (Figure 6).

As one employer summed up this "bottom line" item: *"We would not be where we are today...facing the many challenges of competing in the global marketplace...if it had not been for the quality instruction provided to our employees through the college."*

Figure 6
Employers Who Would Recommend Community Colleges



What Colleges & Communities Are Doing

Oregon Food Processors Skills Building Project: The Northwest Food Processors Association and four Oregon community colleges are collaborating in strengthening the basic skills of front-line workers in the food processing industry. In just six months, this partnership sponsored 26 pilot classes, and client evaluations have validated achievement of program goals.

The CPCC/Okuma Technology Institute: In 1987, Central Piedmont Community College, NC, and Okuma America Machine Co. jointly established the CPCC/Okuma Technology Institute. Okuma contributed facilities and equipment; the college added equipment, computer lab software, and staffing for a coordinator. The Institute has enabled Okuma to introduce CNC machinery, while the college can now bring workforce training into the Charlotte manufacturing district.

The Center for Business, Industry & Labor Partnership: Since 1984, the Center for Business, Industry & Labor (CBIL) has been staffed and sponsored by St. Louis Community College, MO, to serve a broad range of workforce development needs for the McDonnell Douglas Corporation (MDC) and other regional businesses. At MDC, CBIL has delivered effective performance improvement through such interventions as the "Voluntary Improvement Program."

An Agenda for Change

The demands for continuous workforce development require change beyond the employee level. The roles of business, education, and government must also evolve to meet emerging challenges. Both phases of the study identified a series of tasks that must be accomplished by these partners in workforce development to meet the challenges of a new era.

Task 1: Commitment among leadership must be strengthened.

Consistent public support by community college presidents, campus managers, and governing boards is a prerequisite to the success of workforce development programs. No less important is the willingness of political leaders to involve community colleges in regional economic development strategies and initiatives. Through such involvement, entire regions can assess the best strategies for the use of scarce workforce development resources as they broaden participation in critical local decision making.

Task 2: Partnerships among community colleges, business, and government are required.

Institutional partnerships are the key to meeting America's workforce development needs. Almost three-fourths of exemplary practices reported by deans/directors in the study's second phase highlight broad-based partnerships between the providers and consumers of workforce training services.

The study also demonstrates that the most successful partnerships are long-term and market-driven, with multiple-level arrangements between colleges and businesses.

Task 3: Colleges must address issues of image, communication, and marketing.

Although employers responding to the National Workforce Development Survey had all made use of community college workforce programs, the majority of these participants had only limited familiarity with the full range of workforce development programs and services available through community colleges. Only about 25 percent of the employers were "very familiar" with community college workforce development programs.

This lack of familiarity with the full range of their workforce programs is a signficant problem for community colleges. Employers remarked that *"a focused, ongoing, professional promotion and marketing process needed to be a major part of every workforce development program."*

Task 4: The constraint of limited resources must be addressed.

Many colleges see the development of flexible, market-sensitive state funding programs to improve and expand workforce education and training as essential for further progress in meeting employer needs. Adequate funding is needed not only to expand services, but also to keep current programs and services reasonably priced.

Among the specific resource concerns identified by college administrators were the need to:

1. assist employers, especially small and mid-sized businesses, with training costs;
2. actively promote community college workforce development programs as the first choice for workforce training;
3. adequately compensate experienced trainers in some areas; and
4. provide adequate training space, current equipment, responsive curriculum development, and the other start-up needs associated with workforce development programs.

CONCLUSIONS

By strategically implementing these conclusions, the respective business, community college, or governmental agency will be contributing greatly toward a stronger economy for the United States and its citizens.

Business & Industry	*Businesses and industries should recognize that continuing education and training for all employees is a priority and a permanent cost of doing business.* *Businesses and industries should establish strategic long-term partnerships with America's community colleges for the continuous enhancement of employee skills.* *Businesses and industries should assist community colleges with legislative policy development and funding support.*
Community Colleges	*Community college leaders, including trustees, should strongly consider workforce development as a core mission.* *Community colleges must become completely customer-focused, providing comprehensive and customized assessment, training, and employee retention services that are also cost-competitive.* *Community colleges must become more enterprising, partnering with business and other organizations to leverage resources and provide quality education and training.*
Government	*The federal government and respective state governments should establish workforce training as the fundamental element of any economic vision and recognize community colleges as the preferred providers of that training.* *Government should use community colleges as the centerpiece of any post-secondary workforce development legislation or job training initiative.* *Government should provide meaningful incentives to employers for investing in worker training and provide incentives to community colleges to become more involved in worker training.* *Government should deregulate community colleges' fiscal processes where possible to encourage the delivery of customized, flexible instruction based upon employer needs.* *Government should recognize the value of strategically investing in workforce training, both credit and non-credit, by properly funding community college worker education and training.*

Presentation to N.D. House Education Committee
By Bismarck State College
President Donna S. Thigpen
February 3, 1999

Chairman Kelsch and Members of the Committee:

My name is Donna Thigpen and I am president of Bismarck State College. Working on this task force has been one of the most exciting projects I've ever been involved in professionally. It's been a great opportunity and pleasure to work with the members of this task force which represented all sectors that will be affected by this plan.

I have worked in three other states that have community college systems which operate workforce training systems similar to what is proposed in the task force report and HB 1443. In addition, the American Association of Community Colleges commissioned a national study that validates this model. I know it works. It is based upon best practices in providing workforce training.

In the executive summary of the American Association of Community Colleges study, Robert Reich, former U.S. Secretary of Labor, supports the model, which is heavily dependent on the role of community colleges. He said, "A growing number of businesses are realizing the value of community colleges - not only in providing them with skilled workers, but in helping them keep their current workforce on the cutting edge of new technologies." That is the critical role of the community colleges in workforce training.

I came to BSC three and one-half years ago. Based on my experience in community colleges, I began working with the faculty and staff to make the transition of moving from a junior college model and philosophy, which focuses on college transfer, to a comprehensive community college model and philosophy.

A comprehensive community college is three-pronged, with transfer courses, technical programs that prepare students to go directly to work, and workforce training. We began the process of expanding the workforce training part of our mission by redesigning the Community Services Division and renaming it the Division of Corporate and Continuing Education. The redesign involved moving its emphasis from personal development activities to a major focus on providing customized training for business and industry. One of the first steps was to create a Business Advisory Committee comprised of CEOs from 15 of the major employers in the Bismarck-Mandan area.

BSC

From the first to second year, the number of businesses served increased from six to 16. Now in the third year, the Division already serves 48 businesses and organizations. In two and one-half years, the college has worked with a total of 70 businesses and organizations. These range from a one-man shop, Mike's Handy Man Service in Bottineau, to companies such as Basin Electric Power Cooperative with more than 1,000 employees.

We have many success stories to tell, but here are a few.

A. Non-profit management series

A statewide research study determined that the training needs of non-profits were not being served in North Dakota. It was cost prohibitive to send these employees out of state. BSC developed a non-profit management series which is offered over IVN at sites in Bismarck, Fargo, Minot, Dickinson and Grand Forks. We have 37 organizations involved in this training from the communities of Beach, Washburn, Carson, Mott, Epping, Bismarck, West Fargo, Fargo, and Dickinson.

B. Computer training

Nine employees of the New Salem Credit Union received computer training. Fifteen employees of First Southwest Bank of Oakes and Ellendale received computer training.

C. Asbestos abatement training

BSC has coordinated this training for contractors for several years. We have served businesses from Mott, Tioga, Belfield, Bowman, Stanton, Cayuga, Hazen, Fessenden, Belcourt, Bottineau, Park River, Center, Beulah, New Town and Killdeer.

D. Certified Care Provider Program

BSC also forms partnerships to provide service to small organizations or businesses with similar training needs. Our staff developed the Certified Care Provider Program to train in-home care providers. Agencies in this partnership are Dacotah Foundation, West Central Human Services, and Support Systems Inc.

In this workforce training initiative, BSC has support from the Bismarck-Mandan Chamber of Commerce, the Bismarck-Mandan Development Association, and the Manufacturing Roundtable of Dickinson. These groups have indicated support for this proposal and their willingness to commit local dollars to help fund the start-up of this initiative.

We have also met with Dickinson State University officials and they have committed to providing space for the delivery of customized training in the Dickinson area. This is just the first step in providing outreach services in the southwestern part of the state.

Even with our limited resources, we have had some successes which demonstrate that this model does work. But we have not begun to scratch the surface of the possibilities in training. We had to cut back on the marketing efforts of our customized training manager because the requests for training that were being generated exceeded our ability to deliver quality training in a timely fashion. We have had insufficient resources to build the infrastructure needed to develop and deliver customized training programs in a timely, effective manner.

I strongly urge this committee to support this bill and the amendments that have been presented today. Passage of HB 1443 will enable BSC to be an active partner in the future economic growth of North Dakota by enabling us to:

- Build the infrastructure needed for development of new training programs,
- Conduct marketing so businesses will know about training opportunities,
- Maximize resources by working collaboratively with other colleges, private contractors, and professional associations that offer training,
- Blanket the state in terms of providing service,
- Place accountability for training in a central location, and
- Serve businesses of all sizes from small "Mom and Pop" businesses to large companies.

BISMARCK-MANDAN
DEVELOPMENT ASSOCIATION
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February 3, 1999

To: House Education Committee

From: Russell Staiger, President
Bismarck-Mandan Development Association

Re: Testimony in support of HB 1443

Madam ~~Mr. Chairman~~ and members of the House Education Committee this is to express the support of the Bismarck-Mandan Development Association (BMDA) for HB 1443 which is being heard at this time.

As you know, the unemployment rates in North Dakota are at historic lows. This has created a sort of "good news-bad news" sort of situation. The good news is that most everyone who wants a job can find one. The bad news is that existing employers are having a difficult time finding qualified employees, which in turn limits the employer's ability to grow. Another equally serious problem is that out of state companies looking at North Dakota locations, immediately throw up caution flags when they look at our current unemployment rate. It is probably the first issue raised by out of state companies I talk to, followed by "How cold does it really get in North Dakota?"

It is only after we show them that in the case of the Bismarck-Mandan area, nearly 32% of the employed work force of approximately 55,000 persons are under employed. These are persons who are working beneath their education, skill and experience levels. These persons represent a tremendous resource for both existing employers wanting to expand and new companies wanting to locate in Bismarck-Mandan.

The next issue however is that although these persons do have good educational backgrounds and experience, it quite often in the wrong areas required by the new employers.

This brings us to the need for a system of work force training which can respond to these employers needs in training or retraining this available work force. The system for work

force training which is outlined in HB 1443 will give us the training tools which have been lacking. It will allow employers, either existing or new, the opportunity to develop a customized training program tailored to their specific needs and time frame. In Bismarck-Mandan's case, Bismarck State College will be the regional facilitator responsible for putting together the training package in partnership with the employer. This system is modeled after the highly successful program at Kirkwood College in Cedar Rapids, Iowa.

It is important to note that this work force training need is equally important in the rural areas of our state as well as in the larger cities. The BMDA has worked on projects in the smaller communities of Morton County where this type of training assistance would have been invaluable. Currently we are assisting the City of Hebron start a straw board manufacturing plant which will employ approximately 30 persons in jobs which will pay $8.00 to $9.00 per hour, plus benefits. I expect these people will need training during the initial start up period.

Normally the range of skills available in small communities is limited. Consequently this reduces the kinds of companies who mioght be interested in these communities and further reduces the potential for new growth. If we can assure these employers we have well educated persons capable of being retrained and we have the resources to do the training in a timely and professional way, we will have eliminated another barrier to the potential for rural community growth.

Your support by providing a "Do Pass" vote for HB 1443 will be a positive step to continued economic growth in North Dakota.

Presentation to N.D. Senate Education Committee
by Bismarck State College
President Donna S. Thigpen
March 2, 1999

Chairman Freborg and Members of the Committee:

My name is Donna Thigpen and I am president of Bismarck State College. Working on this task force and being a member of the steering committee has been one of the most exciting projects I've ever been involved with professionally. It's been a great opportunity and pleasure to work with the members of this task force to put together a workforce training plan which utilized best practices from across the country and customized these practices to meet the unique needs of North Dakota.

American Association of Community Colleges commissioned a national study entitled "Developing the World's Best Workforce." In this study Robert Reich, former U.S. Secretary of Labor, supports the model, which is heavily dependent on the role of community colleges. He said, "A growing number of businesses are realizing the value of community colleges - not only in providing them with skilled workers, but in helping them keep their current workforce on the cutting edge of new technologies." That is the critical role of the community colleges in workforce training.

The North Dakota University System has taken the first step required to move our two-year colleges towards fully implementing the community college model recommended in this study. We are becoming comprehensive community colleges having a three-pronged mission: transfer courses, technical programs that prepare students to go directly to work, and workforce training.

I'll give you a few examples of how we've begun to implement this three-pronged mission at BSC. The other presidents, if time permitted, would give you similar examples at their campuses.

From FY96 to FY97, the number of businesses BSC provided training for increased from six to 16. Now in FY98, BSC has already served 48 businesses and organizations. In two and one-half years, the college has worked with a total of 70 businesses and organizations. These range from a one-man shop, Mike's Handy Man Service in Bottineau, to companies such as Basin Electric Power Cooperative with more than 1,000 employees.

We have many success stories to tell, but here are a few:

A. Non-profit management series

A statewide research study determined that the training needs of non-profits were not being served in North Dakota. It was cost prohibitive to send these employees out of state. BSC developed a non-profit management series which is offered over IVN at sites in Bismarck, Fargo, Minot, Dickinson and Grand Forks. We have 37 organizations involved in this training from the communities of Beach, Washburn, Carson, Mott, Epping, Bismarck, West Fargo, Fargo, and Dickinson.

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In this workforce training initiative, BSC has support from the Bismarck-Mandan Chamber of Commerce, the Bismarck-Mandan Development Association, and the Manufacturing Roundtable of Dickinson. These groups have indicated support for this proposal and their willingness to commit local dollars to partially fund the start-up of this initiative.

We have also met with Dickinson State University officials and they have committed to providing space for the delivery of customized training in the Dickinson area. This is just the first step in providing outreach services in the southwestern part of the state.

Even with our limited resources, BSC has had some successes which demonstrate that this model does work. If time permitted, the presidents of the other two-year colleges would share with you similar success stories on their campuses and similar partnerships with the four-year colleges and universities in their regions. Our colleges have not begun to scratch the surface of the possibilities in training. At BSC we had to cut back on the marketing efforts of our customized training manager because the requests for training that were being generated exceeded our ability to deliver quality training in a timely fashion. We have had insufficient resources to build the infrastructure needed to develop and deliver customized training programs in a timely, effective manner. This is also the case at the other colleges.

On behalf of the other college presidents and myself, I strongly urge this committee to support this bill and the amendments that have been presented today. Passage of HB 1443 will enable the North Dakota University System to be an active partner in the future economic growth of North Dakota by enabling the colleges to:

- Build the infrastructure needed for development of new training programs,
- Conduct marketing so businesses will know about training opportunities,
- Maximize resources by working collaboratively with other colleges, private contractors, and professional associations that offer training,
- Blanket the state in terms of providing service,
- Place accountability for training in a central location, and
- Serve businesses of all sizes from small "Mom and Pop" businesses to large companies.

TMI SYSTEMS DESIGN CORPORATION

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(701) 225-6716 / (800) 456-6716
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HB 1443
3/9/99
#5
Dennis Johnson

North Dakota Senate Appropriations Committee
House Bill No. 1443
March 9, 1999

My name is Dennis Johnson. I am the President and Chief Executive Officer of TMI Systems Design Corporation located in Dickinson, North Dakota. I am testifying in support of HB 1443. TMI is a manufacturer of institutional casework, millwork, and counter-tops. TMI currently employs about 330 people with about 98% of its sales outside the state of North Dakota.

TMI like many other companies is experiencing a growing mismatch between available jobs and the skills of its existing workers. Rapid changes in technology, market demands, and flatter organizational hierarchies are major contributors to this growing mismatch. It is only through training that skill levels can be raised and the gap narrowed. The skill level of our workforce is a determining factor in our ability as a company to compete nationally.

TMI is on the verge of having a computer integrated manufacturing process. Computer literacy has become a basic and prerequisite skill for advancement or employment to TMI's higher compensated jobs. A flatter organizational structure has also led to front-line workers having greater responsibility for unsupervised activities and greater decision making, leading to an increased need for critical thinking, problem solving, managerial and leadership skills.

I have included within the body of my testimony examples of some of TMI's training needs. I expect TMI to contract with Bismarck State College to provide some of these training services. TMI would also expect to pay a fee for the training services provided by Bismarck State College.

EXAMPLES OF TMI TRAINING NEEDS

General Computer Software Application

- Word processing
- Electronic spreadsheets
- Data base
- Presentations

Specialized Computer Software Application

- AutoCAD
- Internet applications
- E-mail
- 3 dimensional presentations
- CNC/Robotics

Enterprise Skills

- Working in teams
- Communications
- Management
- Leadership
- Finance/accounting

Specialized Topics

- Sexual harassment
- Diversity
- Construction law
- Employment law
- Statistical process control

Many of the training needs included in the body of this testimony are best taught by experienced and professional educators. They know how to develop a course curriculum, deliver instruction, and have access to equipment and classroom facilities. The North Dakota University System led by its two year institutions is best positioned to manage and deliver customized training services to individuals and businesses located in their service area.

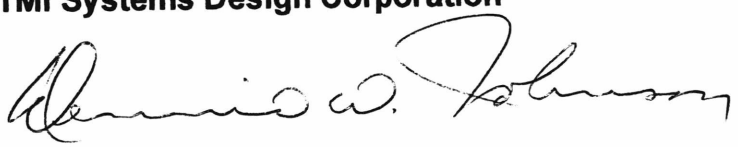
The customized training of people is an inherently decentralized and local enterprise and therefore requires management and delivery by an educational institution near the work place. Local access is a key factor for a successful workforce training program.

While North Dakota in the past ten years has made significant progress towards the diversification of its economy, there still remains a great need to further diversify the economy and to foster the creation and growth of an increased number of primary sector businesses. A workforce training system is an essential element for the success of primary business sector.

As the Chief Executive of a primary sector business, I have learned that the ability to compete successfully in the national market place ultimately comes down to people. It is not companies competing against companies, but rather people competing against people. The ability of our people to compete is largely determined by the quality of their education, training, and their ability to apply the current technology to their jobs.

I urge you to support House Bill No. 1443.

Sincerely Yours,
TMI Systems Design Corporation



Dennis W. Johnson
President and Chief Executive Officer

HB 1475
3/9/99
Donna Thigpen

#34

Presentation to N.D. Senate Appropriations Committee
by Bismarck State College President
Donna S. Thigpen
March 9, 1999

Chairman Nething and Members of the Committee,

My name is Donna Thigpen and I am president of Bismarck State College. It's been a great opportunity to work with the members of this task force to put together a plan for a workforce training delivery system which utilized best practices from across the country and customized these practices to meet the unique needs of North Dakota.

I know your primary concern is the impact of the changes made to this bill by the House.

The action by the House in deleting the $1 million in funding removes one of the critical funding sources needed for success of the new Workforce Training Delivery System.

The impact of the removal of the funds by the House has two major impacts: First, it will severely jeopardize the redesign of the University System, particularly the two-year campuses, into being more effective and responsive in meeting workforce training needs. The citizens of North Dakota have called for changes in the University System to be more responsive to the technical education and the workforce training needs of the State. This plan is designed to help make those changes come about. Without the necessary funding, it will delay and make it extremely difficult for that redesign to take place. Second, the removal of the funding will limit the access to training by business and industry in North Dakota. Access will be especially limited in the less populated areas of the state.

I know it must be difficult for you as a committee to become comfortable with funding this initiative with only 30 minutes to hear the story of why it is needed and how it will benefit the State. I can appreciate that. The task force involved in this effort IS comfortable with the plan and the investment of one million dollars. We are convinced it is a critical component and the logical next step to the economic development efforts of the State. One of the reasons we are comfortable in encouraging you to invest the necessary funding is that we spent six months absorbed in this topic: studying it, looking at successful models across the nation, summarizing the critical success factors of other states. I personally have had an opportunity to work in two states that have systems very similar to what is being proposed by the Task Force. I was responsible for operating such a system in one of the states. I know it works.

Nineteen members of the Task Force also conducted a site visit to one of the premier workforce training systems in the nation -- Kirkwood Community College in Cedar Rapids, Iowa. Following the visit to Cedar Rapids, the Task Force spent two days in a concentrated effort discussing what changes were needed to allow businesses and industries in North Dakota to have access to a workforce training system similar to the successful programs in other states.

We then broke into four task teams, each of which had at least one member of the legislative leadership on the team, to examine the success factors in more detail and to see how

implementing these factors would fit North Dakota's situation and needs. In the end, we developed a plan for a workforce delivery system that we believe does meet North Dakota's needs and resources. That plan was sent to each of you in November of 1998 and another copy has been distributed to you today.

We all knew this initiative would be closely scrutinized. Consequently, the Task Force requested the two-year campuses that were to be assigned primary responsibility for workforce training, to put together business plans detailing how they would carry out their responsibilities in the respective regions, where funding would come from, and how the revenue would be spent. The steering committee reviewed the plans and made suggestions for changes. They also asked the Small Business Administration to provide comments and recommendations on the plans. The Steering Committee met again and approved the revised plans. The full Task Force met January 26 and approved the campus business plans. Mr. Chairman, I am leaving copies of the campus plans with you for any of the committee members who may want to review them. In addition, the CEOs of each of those campuses are here to answer your questions or to visit with you individually about any aspect of the plans.

In addition to the campus business plans, the steering committee requested that a summary of the plans be prepared so legislators could get an overall picture of the revenues and expenditures. This summary includes the state portion, required to implement this initiative. That is what the orchid colored report includes. In addition to the budget information, this report addresses the various questions, such as why four regions are required to assure statewide access to training, that were raised during conversations with the legislators of both parties immediately following the release of the Task Force plan on November 17, 1998.

I think you would agree that rarely do you have a piece of legislation coming before you that has been researched as intensely as this and has had such a broad base of people from both the private and public sectors involved. It is my belief that the Task Force comes to you today knowing that we have done all we can to design a solid plan for a workforce delivery system and to recommend it, confidently, to you.

So what you have in front of you at this moment are the results of all the discussions and the information that led to HB-1443. The information includes:

1) the Task Force plan with the specific recommendations of the task force;
2) a brief description of the model in a report titled "Access to Workforce Training Urgently Needed." (This report is intended to be a condensed version of the Task Force report);
3) the campus business plans prepared by each of the two-year campuses;
4) a summary of the campus business plans; and
5) a Fact Sheet on HB-1443 describing how this initiative fits with and compliments the workforce training programs already available in the State, and; 6) HB-1443 that translates the specific recommendations of the Task Force into legislation required to implement the new workforce training system in North Dakota.

If you need additional information or if you would like to visit with any of us individually, we would be more than happy to accommodate you.

To be more specific as to the impact of the changes made by the House: without the funding called for in the Task Force Plan the campuses would be -

* Unable to build the infrastructure needed for development of new training programs
* Unable to conduct marketing so businesses will know about training opportunities,
* Unable to maximize resources by working collaboratively with other colleges, private contractors, and professional associations that offer training,
* Unable to blanket the state in terms of providing service to operate the four regions required to provide statewide access to training,
* Unable to place accountability for training in a central location, and
* Unable to serve businesses of all sizes from small "Mom and Pop" businesses to large companies.

When I spoke to you last week regarding BSC's budget, I presented information which included examples of training already being provided. Attached to my testimony is a summary of that training. I would ask that you review this information as your time permits. You will see that we are already doing a considerable amount of workforce training but are still only scratching the surface in relation to the needs and opportunities for training. If time permitted, each of the two-year campuses could give similar examples.

I do want to say that on behalf of the other college presidents and myself, I strongly urge this committee to support this bill including restoring the $1 million in funding removed by the House. Doing so will assure access to training in all areas of the State. Passage of HB 1443 will also enable the North Dakota University System to be an active partner in the future economic growth of North Dakota.

Mr. Chairman and members of the Committee, thank you again for the opportunity to provide testimony in support of HB-1443. I would be pleased to respond to any questions the Committee might have.

TESTIMONY OF HB 1443

PRESENTED BY REPRESENTATIVE MYRON KOPPANG

FEBRUARY 2, 1999

Good afternoon, I am representative Myron Koppang from the 25th District, which represents most of Richland County and Wahpeton. I support HB 1443 which relates to a new delivery system in Workforce Training.

The goal of the Task Force for Improving Workforce Development and Training is "to provide business and industry in North Dakota with most competitive workforce in the nation." The North Dakota State College of Science (NDSCS) has been a provider of workforce training for many years. The strong 1 & 2 year vocational/technical programs provide a solid foundation for training and retraining efforts. However, technological changes and the globalization of the marketplace have greatly increased the need for quick and innovative workforce training beyond what current training efforts can effectively address. NDSCS fully supports the efforts of the Task Force and is ready to play a significant role in developing that "most competitive workforce in the nation."

In order for NDSCS to respond to the expanding needs of workforce training, it is essential to have an infrastructure that is capable of identifying and developing training that is customized to the requirements of the clientele. The proposed Workforce training initiative will assist in providing the needed infrastructure.

The Southeast Workforce Training Service Region has over 8000 employers and over 115,000 employees. It is the largest of the four ND Workforce Training Service regions being considered. Many efforts to serve the workforce in this region are already underway and will be enhanced through the adoption of the proposed initiative. The college and the region are ready to meet the new challenge: "to build a World Class Workforce."

Thank you.

NDSCS Wahpeton

UND-Williston
1997-99 Biennium
Workforce Training

UND-Williston has been very active in workforce training in 1996, 1997 and 1998. One example of this is a customized training program in medical transcription for Transcriptions, Ltd. with corporate headquarters in Marlton, New Jersey and operating 70 regional service centers throughout the United States. In addition, Transcriptions, Ltd. has established a service center in Williston which employs nine people. In 1996, 1997 and 1998 the college trained approximately 241 transcriptionists who work out of their home. The training is intensified and lasts from 10 weeks to 18 weeks. The training has been completed in the following communities: Williston (customized training-58; regular college program-26), Minot (19), Ashley (8), Beach (10), Hettinger (10), Tioga (10), Crosby (10), New Liepzig (10), Bismarck (10), Dickinson (20), and Sidney, Montana (20). In the last months of 1998 the college completed training programs in Linton (10), Hazen (10) and Kenmare (10).

Starting in January 1999 the training will be carried out in the following communities starting with Stanley (7), Rolla (10), Langdon (10), Regent (10), Elgin (10), Hettinger (10), and Plentywood, Montana (10). Later this spring the program will be moved to Fargo Tech Training Center, Jamestown and Grand Forks.

Payroll for the Williston Center is now at about 2½ million dollars. Medquest is the parent company for Transcriptions, Ltd. and they have purchased Medical Records Corporation. MRC was the largest medical transcription company in the nation.

- created a workforce development position and program
- expanded services for students with disabilities
- expanded the co-op education program
- dedicated addition of resources to customize training, continuing education and outreach
- created community tech lab to better serve business and industry in the Williston Basin, state and region
- new program offered the Spring semester 1999 titled Computer System Specialist with two options which are the Systems Analyst and Computer Support Specialist

UND-Williston

TASKFORCE FOR IMPROVING WORKFORCE TRAINING
TESTIMONY ON HOUSE BILL 1443
MARCH 2, 1999

Mr. Chairman and members of the committee my name is Mel Olson. I am the State Director of Vocational-Technical Education. I am here to testify in favor of house Bill 1443 including the proposed amendment. I am very proud of the plan that has been put together to address the need to develop a world class workforce in North Dakota. I am convinced that workforce training is absolutely critical to the economic future of our state.

The citizens of North Dakota have clearly expressed their desire for better access to vocational technical education and workforce training. The last two times we have gone to the citizens to get their opinions regarding education and training they have responded with a clear call for more and better access to workforce training and vocational-technical education. In 1996-97 when the Bush Foundation did a study of Higher Education System they found a real demand on the part of the citizens for more and better access to career and technical education. Again in 1997-98 when ED&F traveled around the state and held citizen forums in conjunction with their Enhancing Growing North Dakota initiative the citizens once again clearly called for increased access to vocation-technical education and workforce training.

Our Agency's funding bill that resulted from the 1997 legislative session included legislative intent that called for the same action....the legislative intent in the law reads...**the State board for Vocational-Technical Education is to cooperate with other state agencies and private organizations to provide workforce training programs in a manner that will allow statewide access to the programs...**

At the time, that appeared to be an almost impossible task but it very clearly indicated the legislator's intent. I'm not here to take credit for getting it done. But, in my opinion, it has been done. It was done by a group of individuals representing business & Industry, government, and education who were able to put together a plan for doing just that, and that is the plan that is being presented to you today. The plan clearly addresses the concerns of the legislators that I worked with during the last session and the concern of the citizens who provided the information at the various public meetings.

The plan before you focuses on statewide access and future workforce training needs.

I am very impressed with the task force's resolve and determination to properly position North Dakota for the future. The task force is made up of a group of individuals who are independent thinkers with a wide range of opinions and yet were able to arrive at a consensus and accomplished an unbelievable task in a very short period of time. I have had the opportunity to work with the task force from the beginning and I want to thank the representatives from GNDA for providing the opportunity to serve on the Steering committee of the group. This plan is well thought out and, I believe will serve the citizens of North Dakota well far into the future.

I encourage you to support HB 1443 with the amendment to reinstate the $1,000,000 that is so crucial to providing state-wide access to workforce training.

Like Wayne Gretzky says, "It is important to skate to where the puck will be--not where it has been." This is a plan for the state of North Dakota **"to skate to where the puck will be"** when it comes to workforce training.

PROPOSED AMENDMENTS TO REENGROSSED HOUSE BILL 1443

Page 2, after line 26, insert:

"**SECTION 8. APPROPRIATION**. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the state board for vocational and technical education for the purpose of contracting with institutions of higher education assigned primary responsibility for work force training to provide the framework for work force training in this state, for the biennium beginning July 1, 1999, and ending June 30, 2001."

Renumber accordingly.

Education Committee
North Dakota House of Representatives
56th Legislative Assembly

Testimony of Dr. David M. Gipp
President, United Tribes Technical College
on HB 1443, Work Force Training Initiatives
February 3, 1999

Madam Chair and members of the Committee, thank you for the opportunity to present testimony today regarding HB 1443, concerning work force training. I am President of United Tribes Technical College, known simply as United Tribes, a postsecondary vocational technical school, which serves primarily American Indians from throughout Indian country.

For your information, I would also like to give you a brief description of United Tribes Technical College. The College, founded in 1969 by the North Dakota Indian Tribes, was initially known as the United Tribes of North Dakota Development Corporation. This effort was also made possible by joint support and cooperation from the local private sector, the City of Bismarck and the leaders from our State governance. Soon, United Tribes was operating a vocational training center on the grounds of Fort Lincoln, an army base constructed at the turn of the century to replace the original Fort Lincoln located at Mandan. The old buildings of the fort became our classrooms, dormitories and administrative buildings which have now become United Tribes Technical College, serving more than 320 adult Indian and non-Indian students, along with some 240 children who are student dependents. UTTC provides vocational training and two-year degrees in over 20 areas, as well as, K-8 and other services for students and children.

As I understand the development of HB 1443, this bill, and I believe its companion bill, SB 2404, came about based upon a set of recommendations developed by a "Task Force for Improving Workforce Development and Training" coordinated by the Greater North Dakota Association (GNDA). It is not clear who funded the task force's efforts, but it is clear that tribes and tribal colleges, including United Tribes, were excluded in the development of the Task Force's "Plan for Developing a World-Class Workforce Training System in North Dakota."

Native Americans

We were not consulted, despite the fact that the members of the Indian tribes in North Dakota, both on and off the reservation, are a major segment of the North Dakota workforce. This is a segment where unemployment ranges from 15 to 86 percent and is being overlooked! The tribes and this population must benefit and similarly can contribute to work force training.

Indeed, we have (1) growing populations which will remain in North Dakota (as opposed to those leaving); and (2) an increasingly greater number of youth, ages 24 and younger who comprise 51% or more of the tribal populations at the Standing Rock Sioux Reservation, Three-Affiliated Tribes of Fort Berthold, Spirit Lake Sioux, and the Turtle Mountain Band of Chippewa.

Our two year tribal colleges already provide quality work force training in many technical areas, and could have been designated as having "primary responsibility for workforce training," or could have been designated as partners with other state institutions in this effort.

The fact is that the majority of unemployment in North Dakota's workforce is concentrated among Tribal members, both on and off the reservations. Another fact is that with welfare reform, finding meaningful employment for tribal members throughout the state is of primary concern, not just to us, but to the entire state of North Dakota. 55% of the present welfare case load are tribal members and various deadlines imposed by the 1996 Welfare Reform Act are rapidly approaching.

As I understand it, the essential sections of HB 1443 are found in Sections 3 through 6, along with an appropriation of $1,000,000 made in Section 8. These sections assign various responsibilities to "The president of an institution of higher education that is assigned primary responsibility for work force training." However, the bill does not explain under what criteria or by whom these "institutions with primary responsibility for workforce training" are selected, and it is my understanding that there is no other section of the North Dakota Century Code that makes such an assignment.

Under this bill, there is not going to be any chance for input from North Dakota's Tribal Colleges in this program. Under Section 4 of HB 1443, an advisory board is created, which has on it "representatives from businesses and industries with the institution's delivery area". The schools who will participate in this program and their mission have already been determined in the report of the task force coordinated by the Greater North Dakota Association (GNDA). There seems to be little opportunity for Tribal colleges, and indeed, tribal members in general, to benefit from this effort.

This approach to the needs of North Dakota's workforce for high level training, apparently being done without input from tribes, tribal members or tribal colleges, is plain wrong and needs to be corrected now, before this plan goes any further. Indeed, the North Dakota Tribal Colleges and United Tribes are actively engaged in workforce training. All have demonstrable programs and curricula which bear out this claim.

We can furnish further information and data to support this assertion. As an example, the Turtle Mountain Community College works actively in providing short and long term training of the population employed at UNIBAND, a tribal data entry firm. Each of the Tribal Colleges and United Tribes are working with the North Dakota Job Service in providing service to clients under the Welfare to Work Program, as well.

Given the enormous needs of our state's Indian citizens, they represent a a significant population which could benefit from the workforce training suggested by this bill. With the pressures of welfare reform, as I mentioned earlier, it seems impossible that Tribal colleges and tribes were not consulted in the development of the plan that resulted from the GNDA led task force and which has led to this bill. The Indian people of North Dakota are citizens of this state and deserve better from the elected leadership of this state than a workforce training plan that seems to ignore their interests and concerns.

First, the entire concept needs to be reworked with full consultation with Indian tribes and Tribal colleges. This may not result in a radically different bill, but it should ensure that Tribal colleges will be able to be a vital part of the workforce training effort.

If this bill is to go forward this session, without an additional planning effort, the bill needs some major changes.

RECOMMENDATIONS:

First, this bill needs to make sure that tribal populations are acknowledged and included. Tribal colleges, including United Tribes, must be a part of the workforce training effort prescribed in 1443. The bill needs to clearly include how tribal institutions of higher learning and training will implement the programs. This should be done with a process that takes into account the unique services that Tribal colleges can offer to North Dakota's work force, Indian and non-Indian.

I recommend that the North Dakota Association of Tribal Colleges (NDATC), which has representatives from each of the North Dakota Tribal Colleges, be designated as an area or district to account for North Dakota reservations, including United Tribes Technical College's unique role in technical education and training.

Second, the advisory committee that is formed to develop the programs for the institutions chosen should also include representatives from our tribes and tribal colleges, as well as others, who can provide expertise in developing appropriate training modules.

Third, it should be made clear that both tribally and individually owned businesses should be able to participate in the programs developed at the "institutions of higher education" which are selected.

In sum, I, along with the other Tribal College presidents, remain very disappointed that the efforts of the GNDA led task force did not mention or involve North Dakota's tribal colleges, the North Dakota tribes and North Dakota's Indian citizens. I am hopeful that changes can be made to the bill, which will make it clear how our Tribal colleges can become part of the solution – not to the exclusion of such proposals. Thank you for allowing me to testify today.

David M. Gipp,
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North Dakota Association of Tribal Colleges includes:

Candeska Cikana (Little Hoop) Community College
Fort Berthold Community College
Sitting Bull College
Sisseton Wahpeton Community College
Turtle Mountain Community College
United Tribes Technical College

TESTIMONY
OF
PHYLLIS HOWARD, EXECUTIVE DIRECTOR
NORTH DAKOTA ASSOCIATION OF TRIBAL COLLEGES
ON
HOUSE BILL NO. 1443
February 03, 1999

Good afternoon Mr. Chairman and other members of the committee. My name is Phyllis Howard, I am the Executive Director of the North Dakota Association of Tribal Colleges. The North Dakota Association of Tribal Colleges is an association of five tribal colleges in the state of North Dakota. These five tribal colleges are Cankdeska Cikana Community College, serving the Spirit Lake Indian Reservation; Turtle Mountain Community College, serving the Turtle Mountain Indian Reservation; Fort Berthold Community College, serving the Three Affiliated Tribes; United Tribes Technical College, serving the urban Indian population, as well as tribal people from the state of North Dakota, and other tribes outside the state; Sitting Bull College, serving the Standing Rock Indian Reservation.

The association' primary purpose is to improve teaching and learning for the Native American students at these five tribal colleges. In order to improve teaching and learning at these rural sites the association is developing three different forms of technology as a means to offer courses. The three forms of technology are satellite (uplink and downlink), Internet, and interactive video.

All five tribal colleges are accredited by North Central Association of Colleges and Universities. Several colleges have approved educational programs from various professional boards, for example the State Board of Nursing, and Board of Vocational Education. These colleges are located on Indian Reservations serving their native populations with a majority of Native American students. They are tribally controlled with all Native American Board of

Directors.

I am here this afternoon to offer these brief comments on House Bill 1443. My remarks are not meant to oppose the bill, nor are they meant to give a blanket approval for enactment. My remarks hopefully will give the committee information on the tribal colleges who serve as vehicles for change in their respective reservations. And to propose that the five tribal colleges should be added as training sites in this bill.

Let me speak specifically to Section 3, which is potentially a new section proposed to be added to chapter 52-08 of the North Dakota Century Code. This section if enacted by the legislature will establish training sites, at four state colleges, whose primary responsibility will be to offer workforce training in the defined service regions. Although, these training sites are in close proximity to the four Indian Reservations, they do not serve the Native American population. Instead, the tribal colleges serve the educational and training needs of the Native American population.

I have not read the entire report that produced this bill, therefore, I have concerns as to how the Native American population will be served? Surely the Native American population was considered in the overall research of workforce training needs. If the Native American population was not considered in this overall plan, it is incumbent on this committee to pursue equitable training and opportunities for all its citizens in the State of North Dakota, and not only one segment of its population. If this bill is to provide the means, to train a first class workforce, then it cannot train only one segment of its population. The plan will be flawed and fragmented and underdeveloped before it gets off the ground.

Yes, I agree change is needed in our state. Tribes saw that change was needed in 1968, when the first tribal college was established for the Navajo people. Soon after, this tribal higher education model was established, other tribes, five in the State of North Dakota, chartered their own higher education institutions. Tribes recognized in 1968 that the tribal community college model was the means to deliver education for tribal members. We knew this would lead to development of future business and industry for the tribes. Therefore, this model that the Task Force speaks of in its report, is not new to tribes, for it is already developed on the four Indian Reservations and at the United Tribes Technical College. The paradigm for change is inscribed in these five tribal colleges' mission and philosophy.

Last, it is my believe there are many hurdles to jump to get a first class workforce. There must be education, and not job training with a limited focus. We cannot and should not provide training for welfare mothers, for example, to go to work for minimum wages, and expect them to become first class workers. This will not happen. For these mothers will have too many hurdles to jump. You have an opportunity to develop the greatest model for a first class workforce for the next seven generations (Native American people believe anything we do will affect the last seven generations and the future seven generations). And this model must be developed around education at the two-year degree level, that can lead to a four-year baccalaureate degree and masters degree. These opportunities are happening today, at the tribal colleges, therefore, tribal colleges must be included as training sites to provide workforce training, and second, tribal colleges must be given the same opportunity, as the four state colleges, to submit an annual business plan to train its Native American population. Thank you.

Education Committee
North Dakota Senate
56th Legislative Assembly

Testimony of Dr. David M. Gipp
President, United Tribes Technical College
on HB 1443 and SB 2404, Work Force Training Initiatives
March 2, 1999

Madam Chair and members of the Committee, thank you for the opportunity to present testimony today regarding HB 1443 and SB 2404, concerning work force training. I am the President of United Tribes Technical College, known simply as United Tribes, a postsecondary vocational technical school, which serves primarily American Indians from throughout Indian country.

For your information, I would also like to give you a brief description of United Tribes Technical College. The College, founded in 1969 by the North Dakota Indian Tribes, was initially known as the United Tribes of North Dakota Development Corporation. This effort was also made possible by joint support and cooperation from the local private sector, the City of Bismarck and the leaders from our State governance. Soon, United Tribes was operating a vocational training center on the grounds of Fort Lincoln, an army base constructed at the turn of the century to replace the original Fort Lincoln located at Mandan. The old buildings of the fort became our classrooms, dormitories and administrative buildings which have now become United Tribes Technical College, serving more than 320 adult Indian and non-Indian students, along with some 240 children who are student dependents. UTTC provides vocational training and two-year degrees in over 20 areas, as well as, K-8 and other services for students and children.

As I understand the development of HB 1443, this bill, and I believe its companion bill, SB 2404, came about based upon a set of recommendations developed by a "Task Force for Improving Workforce Development and Training" coordinated by the Greater North Dakota Association (GNDA). It is not clear who funded the task force's efforts, but it is clear that tribes and tribal colleges, including United Tribes, were excluded in the development of the Task Force's "Plan for Developing a World-Class Workforce Training System in North Dakota."

We were not consulted, despite the fact that the members of the Indian tribes in North Dakota, both on and off the reservation, are a major segment of the North Dakota workforce. This is a segment where unemployment ranges from 15 to 86 percent and is being overlooked! The tribes and this population must benefit and similarly can contribute to work force training.

Indeed, we have (1) growing populations which will remain in North Dakota (as opposed to those leaving); and (2) an increasingly greater number of youth, ages 24 and younger who comprise 51% or more of the tribal populations at the Standing Rock Sioux Reservation, Three-Affiliated Tribes of Fort Berthold, Spirit Lake Sioux, and the Turtle Mountain Band of Chippewa.

Our two year tribal colleges already provide quality work force training in many technical areas, and could have been designated as having "primary responsibility for workforce training," or could have been designated as partners with other state institutions in this effort.

The fact is that the majority of unemployment in North Dakota's workforce is concentrated among Tribal members, both on and off the reservations. Another fact is that with welfare reform, finding meaningful employment for tribal members throughout the state is of primary concern, not just to us, but to the entire state of North Dakota. 55% of the present welfare case load are tribal members and various deadlines imposed by the 1996 Welfare Reform Act are rapidly approaching.

As I understand it, the essential sections of HB 1443 are found in Sections 3 through 6, along with an appropriation of $1,000,000 made in Section 8. These sections assign various responsibilities to "The president of an institution of higher education that is assigned primary responsibility for work force training." However, the bill does not explain under what criteria or by whom these "institutions with primary responsibility for workforce training" are selected, and it is my understanding that there is no other section of the North Dakota Century Code that makes such an assignment.

Under this bill, there is not going to be any chance for input from North Dakota's Tribal Colleges in this program. Under Section 4 of HB 1443, an advisory board is created, which has on it "representatives from businesses and industries with the institution's delivery area". The schools who will participate in this program and their mission have already been determined in the report of the task force coordinated by the Greater North Dakota Association (GNDA). There seems to be little opportunity for Tribal colleges, and indeed, tribal members in general, to benefit from this effort.

Under SB 2404, there are no references to North Dakota's Indian Tribes or to the five tribally controlled postsecondary institutions. In particular we note that section 1, subsection 3 of SB 2404 provides for workforce training boards. There is no reference or inclusion of tribes, tribal colleges, tribal businesses, or other North Dakota tribal representation. Obviously, we will recommend inclusion of such representation.

This approach to the needs of North Dakota's workforce for high level training, apparently being done without input from tribes, tribal members or tribal colleges, is plain wrong and needs to be corrected now, before this plan goes any further. Indeed, the North Dakota Tribal Colleges and United Tribes are actively engaged in workforce training. All have demonstrable programs and curricula which bear out this claim.

We can furnish further information and data to support this assertion. As an example, the Turtle Mountain Community College works actively in providing short and long term training of the population employed at UNIBAND, a tribal data entry firm. Each of the Tribal Colleges and United Tribes are working with the North Dakota Job Service in providing service to clients under the Welfare to Work Program, as well.

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leadership of this state than a workforce training plan that seems to ignore their interests and concerns.

First, the entire concept needs to be reworked with full consultation with Indian tribes and Tribal colleges. This may not result in a radically different bill, but it should ensure that Tribal colleges will be able to be a vital part of the workforce training effort.

If this proposed legislation is to go forward this session, without an additional planning effort, HB 1443 and SB 2404 need to be inclusive and require some major changes as they are brought together.

RECOMMENDATIONS:

First, this bill needs to make sure that tribal populations are acknowledged and included. Tribal colleges, including United Tribes, must be a part of the workforce training effort prescribed in HB 1443 and SB 2404. The bills need to clearly include how tribal institutions of higher learning and training will implement the programs. This should be done with a process that takes into account the unique services that Tribal colleges can offer to North Dakota's work force, Indian and non-Indian. Clearly, exclusion would be a major error in determining the positive growth of North Dakota and all of its citizens.

I recommend that the North Dakota Association of Tribal Colleges (NDATC), which has representatives from each of the North Dakota Tribal Colleges, be designated as an area or district to account for North Dakota reservations, including United Tribes Technical College's unique role in technical education and training.

Second, the advisory committee that is formed to develop the programs for the institutions chosen should also include representatives from our tribes and tribal colleges, as well as others, who can provide expertise in developing appropriate training modules.

Third, it should be made clear that both tribally and individually owned businesses should be able to participate in the programs developed at the "institutions of higher education" which are selected.

In sum, I, along with the other Tribal College presidents, remain very disappointed that the efforts of the GNDA led task force did not mention or involve North Dakota's tribal colleges, the North Dakota tribes and North Dakota's Indian citizens. I am hopeful that changes can be made to the proposed legislation, which will make it clear how our Tribal colleges can become part of the solution – not to the exclusion of such proposals. Thank you for allowing me to testify today.

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HB1443
3/9/99
Robert Spencer

#4

Testimony of Robert Spencer on behalf of
North Dakota Association of Rural Electric Cooperatives
In support of HB 1443
Senate Appropriations Committee
March 9, 1999

Mr. Chairman and committee members. My name is Robert Spencer and I am the General Manager and CEO of Northern Plains Electric Cooperative, with offices in Cando and Carrington. On behalf of the North Dakota Association of Rural Electric Cooperatives, I rise to support passage of HB 1443, the long-term funding mechanism for workforce training in North Dakota.

North Dakota's 19 distribution cooperatives and five generation and transmission cooperatives have long been community leaders in economic development. Throughout this past decade, the state's electric and telephone cooperatives have created and implemented a comprehensive program of economic development focused on growing rural North Dakota. In my own cooperative service territory, the RECs have assisted with the development of enterprises such as Dakota Growers Pasta Company and AgGrow Oils of Carrington, the North American Bison Cooperative in New Rockford, Noodles by Leonardo and Integra Castings in Cando, and Farmers Choice Pasta in Leeds. We are presently working with an information technology business whose expansion into our part of the state will provide some "hi tech" employment opportunities for some of our rural residents that may otherwise have to relocate.

In our rural economic development work we have come to recognize that workforce training is a crucial need. For example, the job skills needed in today's agricultural processing facilities are highly technical and require continuing education. We anticipate a bright future for agricultural processing facilities in the state. Our rural development program

rural electric coops

currently has projects underway that have great potential to add value to North Dakota production of beef, pork, small grains, and corn. If successful, these projects will need skilled workers in rural areas throughout the state.

In addition, several of our cooperatives, including my own, report that current businesses in their communities have limited growth potential because the labor pool is inadequate or under trained. We feel that tailored training opportunities, which are readily accessible to the employees, will go a long way to helping us address those business needs.

In summary, for a small price this bill will greatly help our efforts and commitment to grow the economy of rural North Dakota, just as it will help those organizations who are committed to grow the economies of our state's major cities.

Attachment: 1998 NDAREC Resolution on Jobs Training

Resolution on Jobs Training
North Dakota Association of Rural Electric Cooperatives
October 2, 1998

The need for the state of North Dakota to develop a comprehensive approach to jobs training has reached a level where it can no longer be ignored. We see that businesses across the state are facing shortages of skilled workers which limit their ability to expand. We commend the Growing North Dakota Committee for calling attention to this need, and ask the Governor's office and the state legislature to continue to provide job training programs which will ensure the availability of a skilled work force for expanding our job opportunities.

NORTH DAKOTA AFL-CIO

1323 E. Front Ave., Suite 1 • Bismarck, ND 58504-6097
(701) 223-0784 • FAX (701) 223-9387

David L. Kemnitz
President

Chris Y. Runge
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TCU

UTU
[illegible] Risch

House Education Committee
Pioneer Room
February 3, 1999

HB 1443 – Workforce Development, Education and Training

Our initial response is one of a proactive and supportive attitude towards systems that deliver training for workers.

We will support systems that enhance the workers' ability to improve their standard of living.

We support training delivery systems that provide staying power for those workers and their families who find North Dakota the place to live and work.

Governor Schafer's Chief of Staff Bill Goetz said it best in describing HB1443 as a vehicle that we all can sign on to.

To best advance North Dakota workers' perspectives on education and training, we wish to leave you with the following proactive thoughts - -

- **We want to continue to be a part of the governing body that is responsible for the direction of work force training and development.**
- **We feel that state law should provide for the establishment of an advisory committee ensuring the voice and participation from all that have a stake in the political economy of North Dakota.**
- **We have and will continue to seek a place in the policy-making fabric that decides types of training, wage level targets, and follow up on the performance of our delivery systems.**

In conclusion we are pleased to have been invited to participate in this new workforce development and training model. We look forward to working with all the principle players in order to provide industry, business and workers the best possible workforce training systems.

David L. Kemnitz, President

PROPOSED AMENDMENT TO HB 1443

Page 3 line 31

Insert a "," after businesses; delete the "and" after businesses;
After industries insert ", and a labor representative"

Line 31 as amended would read:

> *representatives from businesses, industries, and a labor representative located within the institution's delivery area.*