2017 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2144

#### 2017 SENATE STANDING COMMITTEE MINUTES

#### Industry, Business and Labor Committee

Roosevelt Park Room, State Capitol

SB 2144 1/16/2017 Job Number 26894

☐ Subcommittee☐ Conference Committee

Committee Clerk Signature Ess Liebel &

Explanation or reason for introduction of bill/resolution:

Workforce Development Grants for Tribally Controlled Community Colleges

Minutes:

Attachments 1 - 5

Chairman Klein: Called the committee to order.

**Senator Wardner:** Introduced the bill. (:25-2:10) The bill is to continue to have workforce grants to the tribally controlled colleges. He said last biennium they had money available to all 5 colleges. They put requirements on that they had to give reports on the progress and keep statistics on how they did. It worked out very well for Turtle Mountain Community College. He put the bill in for Turtle Mountain Community College for President Jim Davis. It's a grant from the Department of Commerce for 1.5 million to continue the program.

**Senator Heckaman:** Written Testimony, see attachment #1. (2:25-4:23)

**Dr. Jim Davis, President, Turtle Mountain Community College:** Written Testimony, see attachment #2. (5:20-12:20)

**Senator Poolman:** When it was initially passed she was hopeful and excited about the program and thinks it was exactly what they needed to try to do on our reservations. She said that he has seen success and is here for renewal of the funding and asked what was different about his program in comparison to the other programs.

**Dr. Jim Davis:** (12:48-13:54) In some ways they are similar but the issue and the challenge that they had was to attract instructors and keep those instructors.

Sheila Trottier, Career & Technical Educational Director, Turtle Mountain College: (17:50-23:30) Written Testimony, see attachments #3.

**Chairman Klein:** You spoke to the fact that enrollment results are coming in much better than was anticipated, are you turning away a lot of students and what it the dropout rate in this program?

Senate Industry, Business and Labor Committee SB 2144 January 16, 2017 Page 2

**Sheila Trottier:** We work this program as a sixteen-week program and on occasion we do have to tell the students that the class is full. At that point, with the sixteen-week program, we do offer the class through the summer. We do three cohorts of students, a fall, spring and summer training cycle for some of the sixteen week programs. We can have up to fifteen students enrolled in each program of study.

**Chairman Klein:** You have enrollment results of 200 and placement results of 179. Where is the gap, after completion is there an expectation that everyone is going to look for work?

**Sheila Trottier:** What we do with the enrollment is we have career navigation, which I mentioned. She went on to explain how the career navigator works with the student. (25:40-27:00)

**Senator Marcellais:** Do you have an estimate of the salaries involved in these programs, from start to finish?

**Sheila Trottier:** Are you referring to the wages that the students earn? Yes, we do have that data but I didn't calculate it for this meeting. I can definitely present it at the next round, the average is posted on the 2<sup>nd</sup> page of Dr. Jim Davis's testimony.

Jerry Allery, Graduate, Turtle Mountain Community College: Written Testimony, see attachment #4. (28:58-34:04)

Randy Armstrong, Business Manager for the Plumber's and Pipe Fitter's: (39:30-40:43) In support. He stated that he is also on the Welding Advisory Board for the College.

Wayde Sick, Director of the Workforce Division, North Dakota Department of Commerce: (42:28-43:09) Handout, Attachment #5. Overview of the Tribal College Grand Program, 2015-2017 Biennium.

Chairman Klein: Do you oversee the program?

Wayde Sick: Yes, I have a program administrator who reviews the financials, reviews the outcomes of the program, and the student numbers, does site visits and offers technical assistance as well.

**Senator Campbell:** Asked why Jim Davis was the only tribal college president requesting a grant?

**Wayde Sick:** They would have to prove their placement numbers are as strong. I can't speak to why the other four colleges, as far as why they are not here and why they are not speaking on behalf of this bill as well.

Chairman Klein: Closed the hearing.

#### 2017 SENATE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee

Roosevelt Park Room, State Capitol

SB 2144-2 1/16/2017 Job Number 26907

□ Subcommittee	
☐ Conference Committee	

Committee Clerk Signature	Era Liebelt	
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#### Explanation or reason for introduction of bill/resolution:

Workforce Development Grants for Tribally Controlled Community Colleges

Minutes: Discussion and Vote

Chairman Klein: We will go back to SB 2144. We have provided a variety of funds in the last few years. There has always been a report provided as to how well it is going, I believe the budget section receives. President Davis gave a great talk. If we pass this, it will be rereferred to the Appropriations Committee. I don't know what is going to happen on this side as they work through the budget process. I would say that after it passes, if it passes in the House that is where the two committees will have to decide how much money it should be.

**Senator Poolman:** Commented about the 2015-2017 tribal grant program. She referred to the Turtle Mountain Tribal College receiving 983,000 dollars and was wondering at a time when everyone else is facing cuts, why would they come with an increased amount on their request. Asked if the committee should cut that amount in half even before they think about passing the bill.

**Chairman Klein:** When I saw that and since we had 3 million total last time and they are asking for half of that for the one college. I think this is a bartering thing and they are looking for a start and hoping that they wind up with something. They have done a remarkable job with the 983, are they going to do that much more with the 1.5 million.

**Senator Marcellais:** It will have a heavy impact on the Turtle Mountain Community College. I talked to the director there after the hearing and it will have a very big impact on their program overall if they don't get any funding.

Chairman Klein: You said no funding but I don't think this committee is in that frame of mind.

**Senator Marcellais:** Like you said it is up to the appropriations and then negotiations. I think the reason for the 1.5 million, it is a starting point like you said. It might be cut, we don't know.

**Chairman Klein:** With the other counsels not being here it shows that somebody has been working hard to make this program work and I am certainly impressed by that.

Senate Industry, Business and Labor Committee SB 2144-2 January 16, 2017 Page 2

Senator Poolman moved a do pass and rereferred to appropriations.

**Senator Casper** seconded the motion.

Roll Call Vote: Yes-7 No-0 Absent-0

Senator Poolman will carry the bill.

Date: 1/16/17 Roll Call Vote #: 1

#### 2017 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 2144

Senate Industry	, Business and Lab	or			_ Comr	nittee
		☐ Sub	ocommi	ttee		
Amendment LC# or	Description:					
Recommendation:  Other Actions:	□ Adopt Amendn □ Do Pass □ □ As Amended □ Place on Cons □ Reconsider	Do Not	endar	☐ Without Committee Red ☐ Rerefer to Appropriatio	ns	
				conded By <u>Senator Caspe</u>		
	ators	Yes	No	Senators	Yes	No
Chairman Klein		Х		Senator Marcellais	X	
Vice Chairman C	ampbell	Х				
Senator Roers		Х				
Senator Burckha	rd	Х				
Senator Casper		X				
Senator Poolmar	1	X				
Total (Yes)	7		No	0		
	,					
Floor Assignment						

Com Standing Committee Report January 16, 2017 12:08PM

Carrier: Poolman

Module ID: s\_stcomrep\_09\_001

#### REPORT OF STANDING COMMITTEE

SB 2144: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends

DO PASS and BE REREFERRED to the Appropriations Committee (7 YEAS,

0 NAYS, 0 ABSENT AND NOT VOTING). SB 2144 was rereferred to the

Appropriations Committee.

**2017 SENATE APPROPRIATIONS** 

SB 2144

#### 2017 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2144 1/26/2017 JOB # 27445

☐ Subcommittee☐ Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to amend and reenact sections 54-60.2-01 and 54-60.2-02 of the North Dakota Century Code, relating to workforce development grants for tribally controlled community colleges; and to provide an appropriation.

Minutes:

Attch#1=Dr.JimDavis,Attch#2=ROI(report),
Attch#3=Sheila Trottier, Attch#4=Jerry Allery

V. Chairman Krebsbach: called the Committee to order on SB 2144. All committee members were present. Levi Kinnischtzke, Legislative Council and Stephanie Gullickson, OMB were also present.

**Senator Wardner:** I bring before the bill. It has to do with providing money for a work force development grant at Turtle Mountain Community College. As you recall, last session we did grants for all five, and they were able take it to another level, and it is paying dividends. As I am told by your chairman, this is where we appropriate money, and we want to know where the money is. It is \$1.5M investment in skills training on the reservation and Turtle Mountain College.

V. Chairman Krebsbach: Any questions for Senator Wardner?

Representative Johnson: (1.55-3.35) District 15, Ramsey and Towner County and Devils Lake. I am another sponsor. I have had the privilege to always sponsor this kind of legislation for tribal colleges. It is surprising what they can do with these students. It is supporting the program that we do have. We always want to be a conduit for what is happening. Mr. Davis has a request from us. We need to continue this program for these students. Please be in support of this bill. It's a little easier for them to go to college when it's close to home and you don't have to go across the state to go to school.

V. Chairman Krebsbach: Welcome Jim Davis.

Jim Davis, President of Turtle Mountain Community College (TMCC) (3.50-10.45) testified in favor of SB 2144 and provided written Testimony attached # 1 – relating to workforce development for tribally controlled community colleges; and to provide an

Senate Appropriations Committee SB 2144 01-26-17 Page 2

appropriation. If we are going to get money, we have to produce results. We've shone and demonstrated to produce and exceed the results. We set our goals and we have exceeded our goals in enrollment. (7.26) we placed 179 graduates in jobs. We have a lot of successes. We have a long way to go. When you talk about the bill itself; there is some getting back to the other 4 colleges. They are on record as supporting TMCC. Moving forward, we have things to do in working on return of investment. Testimony-See attached #2. As tribal colleges, we play a rather significant role in terms of economic impact in ND. The TMCC, as you can see in the data, are very well positioned to continue to show results. If the appropriation committee would see fit to move us forward, I would appreciate it and recommend a do pass.

Senator Robinson: What is the total enrollment at the college?

**President Davis**: About 750. We had about 550-560 total head count this semester. These numbers only relate to the workforce training program.

**Senator Gary Lee**: Just looking at the bill on line 15, it says "and shall award grants based on the documented job placements rates". On your information, you state that placement results are 139% of what was expected. How do you see that money coming to you based on that line that is in there?

**President Davis**: The numbers in terms of placement, going back to the bill itself, it is saying that should the other tribal colleges choose to apply for the money, they would have to demonstrate and explain and justify that they have done. Since 2013.

**Senator Gary Lee**: You have a documented rate of 139%. What does this mean in relation to this bill in terms of how you get your money?

**President Davis**: One of the reasons we put these numbers together; is based on the bill itself. It says you have to demonstrate that you have successes in that funding. It also helps to explain should the other 4 tribal colleges want to apply for the funding. They would have to show their successes over the past three years. We are applying for other money. The approval of that application to the state would be co-awarded to TMCC.

**Senator Gary Lee**: You see it past performance not what his class is doing now, retrospectively?

**President Davis**: That is the case. I don't see the other 4 tribal colleges apply for the funding. The reason I applied is because of our successes. We produce results. We think we deserve another round of funding for our workforce development.

**V. Chairman Krebsbach**: I wonder if there could be some clarity on that; on the documented job placement, start rates or current rates or something like that.

**Senator Erbele**: I am looking at your enrollment of those 352, and the graduation results of 191. Of those 352, are there still students in the pipeline that could augment that graduation rate yet, or is this a completed program?

**President Davis**: Yes, there are still students in the pipeline. If you go back to the term of 2016, the one we just came from, those students are still in the program to be counted. The return in investment could really be \$3M plus.

**Senator Mathern**: (17.00) I appreciate if you would comment on the broader implications of this. In this committee, we know about all the costs, and the social programing. We just heard about a tragic shooting in Rolette County. I am wondering if there are consequences beyond graduation that we could some way look to regarding this bill?

**President Davis**: It's not something I have thought about since the tragedy. There is always a great potential for those individuals to attend TMCC. Officer Allory got his degree at the college. He finished at the academy. We pursue those kinds of individuals. Some time they come from families that aren't the greatest. About 60% of our students would not be attending college. That's why we are so accessible and affordable. It is open enrollment. We can do more. We are always trying to find ways to help young people. We have a young man who is going to testify today and why TMCC made a difference in his life. (20.12)

**Senator Oehlke**: You have really successful numbers, here; compared to the other colleges. Can you explain why the differences? You get the successes in larger numbers. Share with me the information if you can.

**President Davis.** Look at the bottom of Testimony attached #2. Whether it is leadership, the young lady sitting behind me, she worked hard, because she understood the urgency to get this program working and in the right direction. I push people hard, and I speak for myself. I can't speak for the other tribal colleges. Maybe they had turnover in presidency, and that transition caused delays in the program (23.04).

**Senator Robinson**: How long have you been president at TMCC?

**President Davis:** Since November of 2005. I lived off the reservation for many years. Went to Dickinson State College, and then I went to another college for my masters and doctorate. I went to UCLA for post doctorate work. I always felt I needed to come back home. I've been back home for 20 years or so.

**Senator Robinson**: I hope you can stick around for a long time. Thank you for your leadership.

**Senator Gary Lee**: We go back a long way, working on the I 94 Highway. Are you comfortable with line 15, in terms of how it is given out? Is it ok as to how money is disbursed?

**President Davis**: I read it over a few times. And I am ok with that. Because it does explain that the money just doesn't' go to the college because you apply. You have to prove and show that you had success.

Senate Appropriations Committee SB 2144 01-26-17 Page 4

V. Chairman Bowman: You need to be commended in what you have done. I think over a period of time, programs like this are going to solve a lot of problems. Keep up the good work.

V. Chairman Krebsbach: Give us a synopsis of the program you offer for this grant.

**President Davis**: It is on the back side of this sheet Testimony attached #2. The two that need enhancement the heavy equipment. We have had some graduates from there.

**Senator Grabinger**: I am new in this committee. Can you explain to me matching funds from the tribe; it says- page 2, line 6-7, "any funds provided to the tribally controlled community colleges must be used to supplement not supplant any existing program or funding source of the college". What other sources do you have to supplement?

**President Davis**: Tribal collages are heavily dependent on grants. Most of those are federal grants. You get a grant for 4 or 5 years, then they are gone. We need to find another way to replace the grant more. I wish we had more hard money. Yes, we partner with other grants that we have to make this work for us. We are participating with a grant from BSC, who is the prime lead. It is called a Trend Grant. It is a workforce training grant. And we are able to pool our resources with those moneys, and moneys from the state. This makes the program even more successful. If we were not to receive any funding, there would be cut backs. We do receive grants, federal grants.

(29.47) **Sheila Trottier**, Career & Technical Education Director at TMCC testified in favor of SB 2144 and provided written Testimony (see attached # 3) explaining the 1<sup>st</sup> year effect of the Tribal College Grant and is asking for a "do pass" by this committee. (34.52) add this information. She continued with written testimony. So the grant that was submitted to the Dept. of Commerce reflected the workforce training. That was used in implementing and developing goals and objectives. We met face to face with employers, and we worked with our tribal council, and we worked with our tribal economic developmental planner to find out what area we needed to implement programs. The advisory boards meet twice each year to review our campus, review our equipment and make recommendations for further expansion. (37.09)

**Senator Robinson**: In Warwick, we worked with a Johnson O'Malley Program. Is that still in existence?

Ms. Trottier: The Johnson O'Malley is at the secondary level.

**Senator Robinson**: Do you have athletic programs at TMCC?

Ms. Trottier: We do have a basketball program.

**V. Chairman Bowman**: It sounds like the program is working. Do you follow up with the graduates after they are out in the field to see where the weakest parts of the program are? If we are investing this money, that we are really getting a return on our investment.

**Ms. Trottier**: Yes we do. We have several points in the process where we do follow-up. We also offer an intensive job readiness course. We work with them to develop a resume, and a letter of application. They also do employer searches at that time. Once they get into employment, we follow up on 3 months, 6 months and 1-year follow-up. We also do follow up on those that do not graduate. We find out if they would like to come back. We talk to employers. We make modulations to the curriculum program. Personal finance is one of the areas that they recommended for this program. (40.33)

Jerry Allery, Graduate of the CDL program at TMCC. Testified in favor of SB 2144 and provided Testimony. (See attached # 4), He gave a personal testimony regarding his life and his life hardships, and then he heard about the CDL program. It was hard, but I learned. That was a life changing time in my life. I heard about Knife River Corporation, and it felt so good to be able to support my children. After that job we had another job, near Rolla, so we built those roads. Went on from there. The pay is good. I got custody of my three kids. I've bettered my life. I believe it is a good noble job by making wider and safer roads for ND. I am thankful for that program up there. (40.50-45.29).

V. Chairman Krebsbach: Thank you for your very honest testimony. It is grateful to know you have another life.

**Mr.** LaCosta, Teacher at TMCC. (45.44-48.45) My background is military. I was in the Air Force for 8 years; most at Minot AFB. My passion is teaching. I worked several jobs throughout the state driving truck. When there was a job opening at TMCC, I applied and was honored to get the job. Thank you for all the work (47.00) getting a CDL. This program provides a lots of students with opportunity in Turtle Mountain, but also, for the entire state. We had a student that just got a job in New Salem. Every semester, I look for better ways to provide for students. Always room for improvement. Since Jerry went through the program, we've incorporated a 1000-mile work trip. We drive throughout ND and through big cities. We meet with several businesses in Fargo. We want to change with the times, so please fund us. Any questions?

**Senator Robinson**: Since the program started, how many graduates have you had?

**Mr. LaCosta**: Our average in CDL is anywhere from 12 to 15. The graduation rate for those is 90%: since the fall of 2013.

V. Chairman Krebsbach: I am pleased to hear you are keeping up to date with regulations and requirements in the CDL program. Any further testimony? Please sign the registration.

**Wayne Kutzer:** -Director of Dept. of Tech and Career Education: We work with TMCC quite a bit. One of our responsibilities is evaluating programs every five years.. We do evaluate TMCC as part of our federal funds that we receive. Our last evaluation was five years ago. They have always had quality programs. One of the best stable community colleges around in terms of enrollment and what we look at. We look at the technical side. (51.11)

**Chairman Holmberg**: We will close the hearing on SB 2144. Sub-committee on SB 2144 is: Chairman Holmberg, Sen. Oehlke, and Sen. Robinson.

#### 2017 SENATE STANDING COMMITTEE MINUTES

#### Appropriations Committee Harvest Room, State Capitol

SB 2144 2/14/2017 JOB # 28311

	□ Subcommittee	
	□ Conference Committee	
Committee Clerk Signature	alie	Aleber

## Explanation or reason for introduction of bill/resolution:

A DO PASS relating to workforce development grants for tribally controlled community colleges.

Minutes: No attachments

**Chairman Holmberg:** called the Committee to order on SB 2144. All committee members were present. Levi Kinnischtzke, Legislative Council and Lori Laschkewitsch, OMB were also present.

Senator Robinson: moved a Do Pass. 2<sup>nd</sup> by V. Chairman Krebsbach.

**Chairman Holmberg:** Any discussion? Call the roll on Do Pass on SB 2144. This goes back to IBL.

A Roll Call vote was taken. Yea: 14; Nay: 0; Absent: 0. Senator Poolman will carry the bill.

The hearing was closed on SB 2144.

Date:	2-1	14-	17
Roll Call Vote #:			

## 

Senate Appropriations				Comn	nittee
	☐ Sub	commi	ttee		
Amendment LC# or Description:					
Recommendation:  Adopt Amenda  Do Pass  As Amended  Place on Cons  Other Actions:  Reconsider	Do Not		<ul><li>□ Without Committee Reco</li><li>□ Rerefer to Appropriations</li><li>□</li></ul>		ation
Motion Made By Robinse	m	Se	conded By Krebsb	act	
Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	1		Senator Mathern	-	
Vice Chair Krebsbach	~		Senator Grabinger	~	
Vice Chair Bowman	V		Senator Robinson		
Senator Erbele	V				
Senator Wanzek	-				
Senator Kilzer					
Senator Lee					
Senator Dever	./				
Senator Sorvaag	/				
Senator Oehlke	/				
Senator Hogue					
Total (Yes)		No	0		
Absent					
Floor Assignment			1BL		
f the vote is on an amendment, briefly	indicate	e intent	: O. Alw	ar	

Com Standing Committee Report February 14, 2017 12:28PM

REPORT OF STANDING COMMITTEE

Module ID: s\_stcomrep\_29\_020

Carrier: Poolman

SB 2144: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2144 was placed on the Eleventh order on the calendar.

(1) DESK (3) COMMITTEE Page 1 s\_stcomrep\_29\_020

**2017 HOUSE AGRICULTURE** 

SB 2144

#### 2017 HOUSE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee

Peace Garden Room, State Capitol

SB 2144 3/14/2017 Job #29169

☐ Subcommittee☐ Conference Committee

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#### Explanation or reason for introduction of bill/resolution:

Workforce development grants for tribally controlled community colleges.

Minutes: Attachments 1 to 4

Chairman Keiser: Opens the hearing of SB 2144.

**Senator Wardner, Sponsor~ District 37-Dickinson:** Introduces the bill. The Turtle Mountain President, Dr. Davis, asked me to present this bill. This is about vocational training. We did this last session. We appropriated money for the five tribal colleges. They provided skills training for their students. Turtle Mountain Community College is asking to do this again. In this bill we are asking for 1.5 million dollars to invest in training of young people. It's here because it's a labor issue.

**Rep D Johnson, Sponsor ~ District 15:** What we have seen the Turtle Mountain program has been successful. They learned a trade in the labor market. I would like to see this program continue with the one college.

**Rep Becker:** Do you recall what the total grants were in the previous sessions?

**Rep D Johnson:** I believe at one time it was \$5 million.

**Rep Boe, Sponsor** ~ **District 9:** District 9 is the home of Turtle Mountain Community College. We are proud of the job they have done. They are prepared to provide the data of their success.

**Rep Laning:** Reading the bill indicates it's still open to all colleges.

**Rep Boe:** It is my understanding that Turtle Mountain is the only one interested in receiving the money.

**Chairman Keiser:** Lines 14 & 15. It gives it to the one that can show results. The other four have not been as successful. This is the way it gets back to Turtle Mountain.

**Dr Jim Davis ~ President of Turtle Mountain Community College:** Attachments 1A & B. We do receive grants from the federal government. We offer three 4-year programs. By this fall we hope to offer a master's degree in education.

The reason tribal colleges were started in the late 60s and early 70s is because very few tribal members were attending college. About 5-10% of the enrollment includes non-native students.

(16:10)

Chairman Keiser: I want to publically congratulate you for the work you have done.

**Rep Louser:** As I look at your numbers, you exceeded expectations. Did you exceed what you thought you would do?

**Dr Jim Davis**: I remember talking to Rep Carlson back in December. He told me he is a results-type person, so am I. Fortunately, we had the numbers of students that wanted to enroll. Also important is our good instructors. It's not a big surprise to me, but it was to others. We were given a challenge and we lived up to it.

**Rep Becker:** Can you split the \$2.2 million up over the two bienniums?

Dr Jim Davis: It's about equal each year.

**Rep Becker:** Why did you get a significantly larger percentage of the total grants in the second biennium?

**Dr Jim Davis:** During those years there was a turnover in the other colleges with their president and teachers. They chose to hire a part-time director. We hired a full-time person.

**Rep Becker:** How many total students are enrolled?

**Dr Jim Davis:** It varies from 800 to 1,000 per year. The full-time enrollment is around 650.

**Rep Becker:** What is the cost of tuition for a full-time student? Is it the same for native and non-native?

**Dr Jim Davis:** The tuition is the same for everyone. We charge what is approved by the federal government. For the current year it is \$7,192 per FTE. We should be getting \$8,000 per FTE based on the 2000 authorization by Congress. We understand that the state is at \$14,200 per FTE. We are underfunded in terms of what we should be getting.

**Chairman Keiser:** With the federal government there is a big difference between authorization and appropriation.

**Rep Becker:** What is the out of pocket cost for a student with full-time enrollment for tuition?

**Dr Jim Davis:** The out-of-pocket cost is rather minimal. About 80% of the students receive Pell Grants. Estimate for a semester is about \$1,200. If they qualify for Pell, they pay about \$200 or \$300 per semester.

**Rep Kasper:** Would you explain the difference in federal funding between beneficiary students and non-beneficiary students?

**Dr Jim Davis:** In 2007 when we requested funding for our non-Indian students, we received approval for about 100 FTEs in all 5 tribal colleges. Our rate at the time was \$5,200 per FTE for Indian students. As each legislative session came and went, the state funding kept dropping. Today it is at least \$2,000 per FTE less for non-native than for Indian students.

**Rep Laning:** Your ROI form states it's based on salaries. Are there any other parameters that went into calculating your return on investment?

Dr Jim Davis: It's basically on the hourly wage.

**Rep Beadle:** Can you walk us through what the funding has gone for? What will you be utilizing for the next two years?

**Dr Jim Davis:** I'll have Sheila Trottier talk to you about this when she gets up here. The money has gone to five paths: Commercial/Vehicle Operators, Heavy Equipment Operators, Oil Field Operators, Welders, and Entrepreneurs. One program that still needs improvement is the Oil Field Operators.

**Rep Beadle:** On an annual basis what is the operating budget for Turtle Mountain Community College? Then give us a percentage of where the funds come from?

**Dr Jim Davis:** Our audits have been very good. The budget runs from \$15-18 million. The grants account for about 2/3 of our funding. We depend on grants a lot.

**Chairman Keiser:** This was a jobs training program to address the unemployment rate. What has happened to the unemployment rate on the reservation since this program?

**Dr Jim Davis:** I don't have a good report on that. It's been difficult to bring jobs to the reservation and I have no control over that. We prepare people.

**Chairman Keiser:** On page 2, why are we are striking out that language? Do you think Section 3, the appropriation, adequately defines what our expectations are?

Dr Jim Davis: It's covered elsewhere.

(37:00)

Sheila Trottier ~Career and Technical Education Director: Attachment 2

With the tribal college grant funding, it was an opportunity to do something different. After doing extensive research and studying labor market information and trying to meet the needs of the workforce, we established five short-term training programs with 16-week certificates. We applied for accreditation through the Higher Learning Commission and was granted full

accreditation on all five programs. We filled out an application for Title IV Federal Financial Aid Funding. This provided our students with the opportunity to obtain financial aid and receive Pell grants. This was important because a lot of our students didn't have the funds to attend school.

We partnered with Bismarck State College under the TREND (Training for Regional Energy in North Dakota) Grant. Through that grant we were able to purchase a simulator for our CDL program. This was a \$200,000 piece of equipment.

We have an early alert system. We do attendance daily. Students are required to attend class and financial aid is not given up front. Financial aid is given in three disbursements throughout the semester. The requirements to obtain financial aid is that you have to be in attendance.

Tutoring services are available to all students. We also implemented a Job Readiness Course which is required. We do follow-up on a quarterly basis throughout the duration of the grant period.

(46:45)

**Rep Beadle:** Do you have the break down on how the previous grant allocations went? What percentage went toward acquiring equipment and what would go to operating expenses?

**Sheila Trottier:** I don't have the breakdown of the budgets with me. The budget includes five faculty members, one program director, and the career navigator. The grant covers the cost of salary and fringe benefits for personnel. Year one was the major year of purchasing the large equipment. There are no stipends to the students. We were fortunate to get very qualified instructors. Turtle Mountain Community College salary scale is 15% below market value. Our faculty are not paid based on the trade.

(50:30)

Jerry Allery ~ Graduate of the Commercial Driver's License (CDL) Program at Turtle Mountain Community College: Attachment 3.

(55:30)

**Rep Kasper:** How important for changing your lifestyle was it that TMCC had that program for your CDL?

**Jerry Allery:** It was very important and it helped with my sobriety.

**Rep Kasper**: You look back at the programs at the college, do you see that the community is proud of what is happening in your area?

**Jerry Allery:** I was in the first class in 2013. I have classmates who were in the program and they are doing well also.

**Rep C Johnson:** What kind of equipment do they train students on?

**Jerry Allery:** It is a trailer. We have a teacher here who can talk about that.

Craig Johnson ~ CVO (Commercial Vehicle Operations) Instructor at Turtle Mountain Community College: Attachment 4.

(1:03)

Opposition: None

Neutral:

Kerri Kraft ~Program Administrator for the Tribal College Grant Program, Department of Commerce: The struck out lines on page 2, lines 8-19, it is all redundant. It is already indicated on page 1, lines 18 through page 2, line 7.

**Rep Becker:** Is your time with the Department of Commerce dedicated to the Workforce Development Program?

**Kerri Kraft:** Yes, I administer the program.

**Rep Becker:** How many FTE's are dedicated to the Workforce Development Program in the Department of Commerce?

**Kerri Kraft:** Are you asking for the tribal college grant program or all workforce development?

**Rep Becker:** So you not dedicated to tribal workforce development. You are dedicated to all workforce development?

Kerri Kraft: Yes.

**Rep Boschee:** As the college success continues, I assume we are going to likely run out of positions. Is the Department of Commerce working with tribal colleges or the region to make sure we are getting businesses and infrastructure so there are jobs for these people to continue through the programs? My concern, are we helping to get employers into the area?

**Kerri Kraft:** I don't believe we have control over that. The Division of Economic Development is in the Department of Commerce. They do community visits and work with the tribal colleges. There is an initiative with the tribes to work on some strategic planning on getting some workforce and this could be a linking tool.

**Rep Ruby:** With our current budget, would these programs end if the \$1.5 million is not provided?

**Kerri Kraft:** We have an understanding with the colleges. There is a sustainability measure that they need to work when they do the applications. They need to show our office that if the funding would go away, how they are going to sustain this program?

Rep Ruby: Where are they?

**Kerri Kraft:** We would have to reevaluate again. It was done at the beginning of the application process and now we have gone through two years of funding. Based on the last \$980,000 that they received, we would do another sustainability measure on them.

**Dr Jim Davis:** About 2/3 of our funding comes from soft money/grants. It is part of my job to seek funding. We have 45 grants. But they end sometime down the road. It would be nice to keep those programs funded. That's why we are here requesting another round of funding.

**Rep Ruby:** The funding would be requested each time. This is removing the sunset. I don't see this extending the sunset. Was it considered to look at it later?

**Dr Jim Davis:** I do recall the sunset clause is in there. These programs are still developing and need to be enhanced. We have to be creative because of our funding sources. This could be the last round that we would request.

**Rep Becker:** I'm looking at the aspect of an end point. We looked at this as a kick start and not an ongoing appropriation. It was to enhance not create new programs. I see a request for a 53% increase compared to what you received last biennium. It seems we are going backwards. You received \$980,000 last biennium and now requesting \$1.5 million.

**Dr Jim Davis:** I understand your comments and reasoning and the amount requested. There are a couple of programs that need the extra work. We will continue to proceed and make adjustments so hopefully we won't have to come back.

Chairman Keiser: Closes the hearing.

**Rep Laning:** Moves a Do Pass with rereferral to appropriations.

Rep Kasper: Seconded the motion.

Chairman Keiser: Further discussion.

**Rep Becker:** I will be the bad guy. Back in 2013 I was opposed to the law which set a new precedence—the state giving grants to tribal colleges. We said at that time when you start it doesn't end. We had an 80% fail rate if we look at all the colleges. The problem of unemployment on the reservations is because of a generational institutionalized systemic dependence brought on by the federal government. We keep throwing money and it doesn't break the institutionalized dependence. The return on investment, we are looking at 18%. We wouldn't be looking at a 53% increase if all five colleges were successful. It sounds like a decrease because now it is one college.

Even if we approve what Turtle Mountain got last time, \$980,000. The current out-of-pocket expense is ranging \$200 to \$1250 per student per semester. If you were to break down the cost for this workforce development grant, that \$82 per semester per student at an already low-priced college, the third cheapest community college in the nation. I'm not understanding how that is not being looked at as an option. Does the tribe have the ability to start their own

student loan program for students going into this workforce development type program? If we don't do the appropriations, programs don't die. What I am saying is that they don't need us. I wish them continued success but I will be voting "no" on this motion.

**Rep Kasper:** I've worked with Turtle Mountain Community College since 1992. I've seen the college change and grow over the last 25 years. It would be nice if the funding were fixed or there was a funding source that came year after year. Dr Davis, works almost full time on grants and funding sources. It is an area of North Dakota with the lowest per capita incomes and we have a lot of people that the only way out of where they are at is through education. Dr Davis is fantastic and the program is a success but it's not there yet. To stop a program that is successful out of the five colleges, is the wrong message to send. I hope you will support the motion.

**Rep Ruby:** I'm going to resist the motion. I'm looking at the reality of our budget, especially in education. Higher education has taken a massive cut. Without this being amended down to a lower level that might appease appropriations—why not look at another sunset and look at it again. Why would we send it down to appropriations and have them cut it? I'm not discounting their program. The reality of this session--everyone is taking a beating and now give them a 53% increase.

**Rep Boschee:** I echo Rep Kasper's sentiments about the program. We are going to have to rely on our own citizens for the workforce. This program is tried and true and is working.

**Rep Kasper:** On page 2, the last line of the bill, "this is a one-time funding item." So we don't need a sunset.

**Chairman Keiser:** I'm going to oppose the motion. It is a budget question and the bottom line we are now asking appropriations to make budget cuts. We could pass this down to them and I know what is going to happen.

A Roll Call vote was taken: Yes 9, No 5, Absent 0.

Do Pass carries

Representative Beadle will carry the bill.

#### 2017 HOUSE STANDING COMMITTEE MINUTES

#### Industry, Business and Labor Committee

Peace Garden Room, State Capitol

SB 2144—Committee Work 3/15/2017 Job #29209

☐ Subcommittee☐ Conference Committee

Committee Clerk Signature	Kuch				
Explanation or reason for introduction of bill/resolution:					
Workforce development grants for tribally controlled	d community colleges.				
Minutes:					
Rep Kasper: Moves to reconsider.					
Rep Boschee: Second.					
A Roll Call vote was taken: Yes <u>14</u> , No <u>0</u>	_, Absent0				
Motion to reconsider carries.					

**Rep Kasper:** Dr. Davis understands the budget constraints. The logic behind asking for \$1.5 million was because last session we approved \$3 million. So they thought \$1.5 million was going down. He is asking us to consider amending down the \$1.5 million. The amount of funding they received the last biennium was \$983,738.

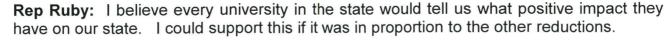
Rep Kasper: Moves the amendment to amend the amount to \$983,000. Page 2, line 21.

Rep Beadle: Second.

**Rep Becker:** I will resist the motion. If this motion does not pass I move that we change the amount to \$785,000 which would represent a 20% decrease which is what the other institutions of higher education are addressing.

**Rep Kasper:** The tribal impact in the State of North Dakota through the colleges is about \$129 million. The economic impact to the reservations and tribes is over \$2 billion of positive impact to the State of ND. This program is highly successful. We have a need for this training, but it's a goal to be self-sustaining by the next biennium. I will vote yes.

House Industry, Business and Labor Committee SB 2144—Committee Work
March 15, 2017
Page 2



A Roll Call vote was taken: Yes 8, No 6, Absent 0.

Motion to amend page 2, line 21 to \$983,000 carries.

Rep Becker: Moved to further amend down to the \$785,000 on page 2, line 21.

Rep Ruby: Second.

**Rep Lefor:** We are talking about funding for all of our institutions. If we go in with the same amount, appropriations will probably say "no."

**Rep Louser:** How do you present a bill like this to appropriations? Do you discuss the history and our discussion?

**Chairman Keiser:** I would tell them we worked on the bill and amended it down to this level of funding.

A Roll Call vote was taken: Yes 11, No 3, Absent 0.

Motion to amend page 2, line 21 to \$785,000 carries.

Rep Kasper: Moved Do Pass as amended to be rereferred to the Appropriations Committee

Rep Beadle: Second.

**Rep Becker:** I still am going to vote "no." I think it's better now. I still have the reasons stated yesterday and therefore I will respectfully oppose the motion.

**Chairman Keiser:** The Challenge Grant approach was suggested but it doesn't give them the surety of the monies.

A Roll Call vote was taken: Yes 11, No 3, Absent 0.

Do Pass as amended carries. (to be rereferred to appropriations)

Representative Beadle will carry the bill.

3/15/17 60

17.0703.01001 Title.02000 Adopted by the Industry, Business and Labor Committee March 15, 2017

## PROPOSED AMENDMENTS TO SENATE BILL NO. 2144

Page 2, line 21, replace "\$1,500,000" with "\$785,000"

Renumber accordingly

Date:	3/14/17		_
Roll Call	Vote #:	1	

## 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

Industry, Business and Labor				Comn	nittee
□ Subcommittee					
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Call V	ote	#:	1
	Call V	Call Vote	Call Vote #:

## 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

Recommendation	House	Indust	try, Bus	iness a	nd Labor	Comi	Committee	
Do Pass   Do Not Pass   Without Committee Recommendation   Rerefer to Appropriations   Rerefer to Appropriations   Reconsider   Rep. Reconsider   Rep. Boschee      Motion Made By   Rep. Kasper   Rep. Boschee   Rep. Boschee      Representatives   Yes   No   Representatives   Yes   No   Representatives   Yes   No   Rep. Boschee   X   Rep Laning   X   X   Rep Lefor   X   Rep Beadle   X   Rep Louser   X   Rep Rouser   X   Rep Rouser   X   Rep Rouser   X   Rep Bosche   X   Rep Boschee   X   Rep Boschee   X   Rep Boschee   X   Rep Boschee   X   Rep C Johnson   X   Rep Boschee   X   Rep C Johnson   X   Rep Boschee   X   Rep C Johnson   X   Rep Dobervich   X   Rep Kasper   X   Rep Dobervich   X   Rep Dobervich   X   Rep Kasper   X   Rep Dobervich   X   Rep Dobervich   X   Rep Moschee   X   Rep Mosc			□ Sul	ocomm	ittee			
Adopt Amendment   Do Pass   Do Not Pass   Without Committee Recommendation   As Amended   Rerefer to Appropriations   Place on Consent Calendar   Replace on Consent Calendar   Replace on Consider   Replace on Consent Calendar   Replace on Cons		or						
Rep. Kasper         Rep. Boschee           Representatives         Yes         No         Representatives         Yes         No           Chairman Keiser         X         Rep Laning         X         X           Vice Chairman Sukut         X         Rep Lefor         X         Rep Beadle         X         Rep Louser         X           Rep R Becker         X         Rep C'Brien         X         Rep Ruby         X           Rep Bosch         X         Rep Boschee         X         Rep Boschee         X           Rep Kasper         X         Rep Dobervich         X           Total         (Yes) 14         No 0         0    Floor	Recommendation Other Actions	<ul><li>☐ Adopt Amendr</li><li>☐ Do Pass</li><li>☐ As Amended</li><li>☐ Place on Cons</li></ul>	ons	dation				
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Roll	Call	Vote	#:	2

## 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

House	Indust	ry, Bus	iness a	nd Labor	Com	mittee		
□ Subcommittee								
Amendment LC# o	or 							
Recommendation Other Actions	<ul> <li>☑ Adopt Amendment</li> <li>☐ Do Pass</li> <li>☐ Do Not Pass</li> <li>☐ Without Committee Reco</li> <li>☐ Rerefer to Appropriations</li> <li>☐ Place on Consent Calendar</li> </ul>					dation		
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Motion Made By	Rep. Kasper		Se	conded By Rep. Beadle				
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Vice Chairman	Sukut		Х	Rep Lefor		X		
Rep Beadle		X		Rep Louser	X			
Rep R Becker			Х	Rep O'Brien	X			
Rep Bosch		X		Rep Ruby		X		
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Roll	Call	Vote	#:	3	

## 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

House	Industry, Business and Labor					mittee	
□ Subcommittee							
Amendment LC# o Description:	r 						
Recommendation Other Actions	<ul> <li>□ Adopt Amendment</li> <li>□ Do Pass</li> <li>□ Do Not Pass</li> <li>□ Without Committee Rec</li> <li>□ Rerefer to Appropriation</li> <li>□ Place on Consent Calendar</li> <li>□ Reconsider</li> <li>□ Further amend</li> </ul>					dation	
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Vice Chairman	Sukut	Χ		Rep Lefor	Х		
Rep Beadle		X		Rep Louser	X		
Rep R Becker		Χ		Rep O'Brien	X		
Rep Bosch		Χ		Rep Ruby	X		
Rep C Johnson	Ì	Χ		Rep Boschee		X	
Rep Kasper			X	Rep Dobervich		X	
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Roll	Call	Vote	#:	4

## 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

House	Indust	Com	Committee			
		□ Sul	ocomm	ittee		
Amendment LC# o	or					
Recommendation Other Actions	<ul> <li>□ Adopt Amendment</li> <li>□ Do Pass</li> <li>□ Do Not Pass</li> <li>□ Without Committee Rec</li> <li>□ Rerefer to Appropriation</li> <li>□ Place on Consent Calendar</li> <li>□ Reconsider</li> <li>□ Further amend</li> </ul>					dation
Motion Made By	Rep. Kasper		Se	conded By Rep. Beadle		
Repres	entatives	Yes	No	Representatives	Yes	No
Chairman Keis		X		Rep Laning	X	
Vice Chairman	Sukut		Х	Rep Lefor	X	
Rep Beadle		Χ		Rep Louser	Х	
Rep R Becker			Х	Rep O'Brien	X	
Rep Bosch		Χ		Rep Ruby		X
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Floor Assignment	Rep. Beadle					

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Insert LC: 17.0703.01001 Title: 02000

#### REPORT OF STANDING COMMITTEE

SB 2144: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2144 was placed on the Sixth order on the calendar.

Page 2, line 21, replace "\$1,500,000" with "\$785,000"

Renumber accordingly

**2017 HOUSE APPROPRIATIONS** 

SB 2144

#### 2017 HOUSE STANDING COMMITTEE MINUTES

# **Appropriations Committee**Roughrider Room, State Capitol

SB 2144 3/23/2017 29631

□ Subcommittee	
□ Conference Committee	

Explanation or reason for introduction of bill/resolution:

100 list

Relating to workforce development grants for tribally controlled community colleges

#### Minutes:

Attachment 1

2:10 Representative George Keiser, District 47, Bismarck: SB 2144 which is a new consideration of the program that we established in 2013 regarding the workforce development within the department of commerce for the tribal community colleges. In 2013 we did appropriate 5 million dollars, 1 million going to each of the tribal colleges to try and become very creative and to establish workforce development programs giving the high rate of unemployment on the reservation. SB 2144 does a couple of things; one it removes the sunset that we placed on this program. You can see on line 8 that we are removing the sunset but more importantly on page one line 14-15 we established the criteria that continued funding would have to be based on the documented job placement rates at each of the eligible colleges. Of the 5 colleges only one college came forward this session, Turtle Mountain Community College.

Representative Boe provided a handout. (see attachment 1) This is a successful program; the data is over whelming positive. Second part of the first page; out of 191 people in the program they placed 179 Had some really good stories and examples of the success of the program. We have people that where in and out of jail and in and out of treatment that are now out of college and working and supporting their families.

They did receive 2.2 million now they are asking for 1.5 million so that is a big reduction. The committee did ask what was spent in the last biennium, the president of the college indicated the 983 thousand had been spent to run the program the last two years out of the 2.2 million. The rest of it was used to set up the program and to run the program the first two years. Committee looked at that and had a long discussion and said why should we funding you at a higher level (1.5 million) then what you spent the last two years? (983 thousand) After discussion the president came and said how about 984 thousand? That's what we had expended for the last two years' program? Committee said it doesn't make sense that everyone else is taking a cut and you aren't so we reduced it to 785 thousand,

House Appropriations Committee SB 2144 March 23th 2017 Page 2

that's approximately the same cut as what being asked for every other college. This is a program that is working collective the committee thought this should continue.

**Chairman Delzer:** Was it discussed about the fact that both governors removed this from the budget?

**Representative Keiser:** We recognized that it was not in the budget but after the presentation we thought it should be funded.

**Chairman Delzer:** What is the tuition rate that they are charging for this program?

**Representative Keiser:** We did; Turtle Mountain College has one of the lowest tuition rates in the state and giving the sources of funding and given the ability of their students to fund. They are certainly a different profile of students that attend UND or NDSU.

**Chairman Delzer** Is this 179 placement, is that a year after graduation 6 months' after graduation?

**Representative Keiser:** We did not ask exactly when they were hired or how long they stayed employed. We did ask if this is a placement that led to a long term placement.

**10:50 Representative Nathe:** We have information from Turtle Mountain, how about United Tribes or any other college?

**Representative Keiser:** The only information we received was from the Turtle Mountain, the other colleges recognized that with their less then favorable results they didn't think they should come back and ask for the money again. We do have in the bill that now for funding the job placement must be documented. When we added that the other colleges opted not to apply.

**Representative Nathe:** So is this basically for just one college?

**Representative Keiser:** That is correct. The first program was for 5 million, we reduced it by about 3 million in the second biennium and based on that performance, this is the one college that has a good track record.

**Chairman Delzer:** I don't understand doing away with the sunset, we are going to have to do the appropriation every time.

**Representative Keiser:** The sunset automatically removes the program, if we want to extend the program is through the appropriation.

**Chairman Delzer:** Only if there is funding. I don't know if this should be set to be automatically for every time. Further discussion?

## 2017 HOUSE STANDING COMMITTEE MINUTES

# **Appropriations Committee**

Roughrider Room, State Capitol

SB 2144 3/28/2017 29764

☐ Subcommittee☐ Conference Committee

Bligguist							
Explanation or reason for introduction of bill/resolution:							
Relating to workforce development grants for tribally controlled community colleges							
Minutes:							

1:10 Chairman Delzer: Looking at SB 2144, Deals with the Turtle Mountain College. They started asking for 1.5 million, then than got it down to 785 thousand, that was the minimum spend from last biennium and then took 20% reduction like everywhere else. This bill started at 5 million when there were 5 colleges involved. The purpose was to set these up and get them going and see how it worked; now it looks like only one tribal college is still asking for this program to keep going. I think we should have some follow up with the placement of these students and see that they stay placed. We should consider giving ½ million dollars to it. The higher ed bill there's also funding that goes to these native American colleges for nonnative students, I think there is some funding there out of the student loan trust fund and some out of the general fund. I think we should try to save the general fund of that as well. Any discussion?

**Representative Boe:** You had asked about tuition rate, \$74 per credit hour and the snap shot of the placement that is as of December 2016 that was a snap shot of one date.

Chairman Delzer: I think we should have some kind of reporting requirement.

**Representative Monson:** Is it possible to consider a source other than the general fund? The student loan trust fund perhaps?

**Chairman Delzer:** We do have SB 2037; we do have an amendment that would free up 2 million dollars in the student loan trust fund. We also have talked about some changes in the higher ed budget that would free up a little more money for the student trust fund. There is no way for that student loan trust fund to rebuild so whatever we are using out of there we'll have to use other funding sources.

So we will try to change what fund it comes out of, change it to 500 thousand and then change the reporting language.

House Appropriations Committee SB 2144 March 28<sup>th</sup> 2017 Page 2

**Representative Schatz:** What year was this started? What if one of the other tribal colleges want back in, how are we going to divide up the money then?

**Chairman Delzer:** That would be up to the legislative assembly at that time to decided how it would be funded and how it would be divided. I think that is one of the reasons we should have the snap shot information. If another trial college wants to get in they should have that information. I think it started three sessions ago, I might have been four.

**Brady Larson, Legislative Council:** Two sessions ago I know it was at 5 million, last session it was at 3 million and it was 2 million general fund and 1 million student loan trust fund. I don't think it went back three sessions.

**Chairman Delzer:** I do think this is a good program and I would hope they can get it so that they are eventually self-stationing.

**Representative Boe:** As I recall when we set it up we were looking for results based reporting and I would imagine for enticement to get the results there has to be some carrot. This is fantastic for my area, get these people educated and moved out into the job force.

Chairman Delzer Further discussion? What are your wishes?

**Representative Monson:** I would move to change the source of the funding to student loan trust fund, I had asked Brady based on our actions and he said there's about 1.5 million.

**Chairman Delzer:** Motion to ament 2144, we would be changing line 20, scratching out general and putting in student loan trust.

Representative Boe: Second

Voice vote, All in Favor, Motion Carries

**11:10 Representative Vigesaa:** I would move that we change the 785 thousand to 500 thousand.

Representative Pollert: Second

**Representative Boe:** The funds in the other bill for the non-beneficiary students, if we were going to cut that I would rather see this one stay a little bit higher.

**Representative Monson**: I was kind of hoping to get a higher number as well since we changed the source of funds, I know we will have to address in two years anyway, I was hoping for 600 thousand at least.

Chairman Delzer: Further discussion?

Voice vote, All in Favor? Motion Carries unless you would like a roll call vote.

House Appropriations Committee SB 2144 March 28<sup>th</sup> 2017 Page 3

Chairman Delzer: Do we want to amend the bill with some kind of reporting?

**Representative Monson:** We got a good report, hopefully we will get a good report next session again if they want money again.

**Chairman Delzer:** I would hope that we are able to look at and see if there is any follow-up on not only the placements but how long have the placements been there.

**Mr. Larson:** There is something in the statute for reporting requirement to the Department of Commerce, that does include the placement rates, the number of students the pursue additional education and different topics of that nature.

**Chairman Delzer:** We appreciate what these outfits have done for their communities.

**Representative J. Nelson:** If you look at the results of this program, it's remarkable if you look at the area. The spread of job placements across the state and in the local region. I am a little concerned on that that the 500 thousand will slow the progress.

**Chairman Delzer:** I would guess when this goes to conference there will be one or two appropriators and at least one from the IBL committee. Further discussion?

Representative Boe: Moved Do Pass

Representative Monson: second

Chairman Delzer: Further discussion?

A Roll Call vote was taken. Yea: 18 Nay: 0 Absent: 3

Motion carries Representative Boe will carry the bill

17.0703.01002 Title.03000 Prepared by the Legislative Council staff for House Appropriations Committee

March 29, 2017

## PROPOSED AMENDMENTS TO SENATE BILL NO. 2144

In lieu of the amendments adopted by the House as printed on page 1010 of the House Journal, Senate Bill No. 2144 is amended as follows:

Page 2, line 20, after "APPROPRIATION" insert "- STUDENT LOAN TRUST FUND"

Page 2, line 20, replace "general" with "student loan trust"

Page 2, line 21, replace "\$1,500,000" with "\$500,000"

Renumber accordingly

## STATEMENT OF PURPOSE OF AMENDMENT:

This amendment reduces the appropriation for tribal college workforce grants to \$500,000 and changes the funding source of the appropriation from the general fund to the student loan trust fund.

Date: 3/28/2017 Roll Call Vote #: 1

## 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

House Appropriations								
□ Subcommittee								
Amendment LC# or Description: Change the source of the funding								
Recommendation:  Adopt Amendment  Do Pass Do Not Pass Rerefer to Appropriations Place on Consent Calendar  Other Actions:  Recommendation Recommendation Recommendation Recommendation Recommendation Recommendation Recommendation								
Motion Made By Representative Monson Seconded By Representative Boe								
Representatives	Yes	No	Representatives	Yes	No			
Chairman Delzer								
Representative Kempenich			Representative Streyle					
Representative: Boehning			Representative Vigesaa					
Representative: Brabandt	<							
Representative Brandenburg								
Representative Kading	6		Representative Boe					
Representative Kreidt \			Representative Delmore					
Representative Martinson	1	1	Representative Holman					
Representative Meier			11.)					
Representative Monson		1						
Representative Nathe	1							
Representative J. Nelson								
Representative Pollert								
Representative Sanford								
Representative Schatz								
Representative Schmidt								
		No						
Total (Yes)		140						
Absent								
Floor Assignment								

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

Date: 3/28/2017 Roll Call Vote #: 2

#### 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

House Appropriations							
			□ Sub	commi	ttee		
Amendm	ent LC# or	Description: Chan	ge fund	ing fron	n 783 thousand to 500 thousar	nd	
Recommendation:  Adopt Amendment  Do Pass Do Not Pass Without Committee Recommand Rerefer to Appropriations Place on Consent Calendar							lation
Other Ac	tions:	☐ Reconsider	chi Gan	cridar			
Motion N	Made By _	Representative V	'igesaa	Se	conded By <b>Representativ</b> e	e Poller	<u>t</u>
		entatives	Yes	No	Representatives	Yes	No
	nan Delze						
		Kempenich			Representative Streyle		
Representative: Boehning				Representative Vigesaa			
		: Brabandt					
		Brandenburg					
	esentative		<	0	Representative Boe		
Repre	esentative	e Kreidt		V	Representative Delmore		
Repre	sentative	Martinson			Representative Holman		
Repre	esentative	Meier					
Repre	sentative	Monson	1				
Repre	esentative	Nathe					
Repre	esentative	J. Nelson					
Repre	sentative	Pollert					
	sentative						
	sentative						
Repre	sentative	Schmidt					
Total	(Yes) _			No	)		
Absent							
Floor As	signment						

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

Date: 3/28/2017 Roll Call Vote #: 3

#### 2017 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. SB 2144

House Appropriations							
☐ Subcommittee							
Amendment LC# or Description:							
Recommendation:  ☐ Adopt Amendment ☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation ☐ Rerefer to Appropriations ☐ Place on Consent Calendar ☐ Reconsider ☐ ☐							
Motion Made By R	epresentative E	Boe	Se	conded By Representative	e Mons	on	
Represent	atives	Yes	No	Representatives	Yes	No	
Chairman Delzer		X	-110	Tropi oconta a voc	1.55		
Representative Ke	empenich	Х		Representative Streyle	Α		
Representative: B	oehning	Х		Representative Vigesaa	Х		
Representative: B	rabandt	Х					
Representative Br	andenburg	Χ					
Representative K	ading	X		Representative Boe	X		
Representative K	reidt	Α		Representative Delmore	X		
Representative Ma	artinson	Χ		Representative Holman	X		
Representative M	leier	Х					
Representative Mo	onson	X					
Representative N		Х					
Representative J.		Х					
Representative Po	ollert	Х					
Representative Sa	anford	Х					
Representative So		Χ					
Representative So	chmidt	Α					
Total (Yes)1	18		No	0			
Absent 3							
Floor Assignment	Representative	Boe					

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

Module ID: h\_stcomrep\_56\_014
Carrier: Boe

Insert LC: 17.0703.01002 Title: 03000

#### REPORT OF STANDING COMMITTEE

SB 2144, as amended: Appropriations Committee (Rep. Delzer, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (18 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). SB 2144, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the House as printed on page 1010 of the House Journal, Senate Bill No. 2144 is amended as follows:

Page 2, line 20, after "APPROPRIATION" insert "- STUDENT LOAN TRUST FUND"

Page 2, line 20, replace "general" with "student loan trust"

Page 2, line 21, replace "\$1,500,000" with "\$500,000"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

This amendment reduces the appropriation for tribal college workforce grants to \$500,000 and changes the funding source of the appropriation from the general fund to the student loan trust fund.

**2017 CONFERENCE COMMITTEE** 

SB 2144

#### 2017 SENATE STANDING COMMITTEE MINUTES

# Industry, Business and Labor Committee

Roosevelt Park Room, State Capitol

SB 2144 4/11/2017 Job Number 30054

☐ Subcommittee☒ Conference Committee

	Committee Clerk Signature	Eva Liebelt	
I		Com Lieure	

# Explanation or reason for introduction of bill/resolution:

Workforce Development Grants for Tribally Controlled Community Colleges

Minutes:	1 Attachment
miliates.	1 / Ktdommont

**Chairman Casper:** We will open the conference committee on SB 2144. All right members of the committee, I would like to start this with the changes the House of Representatives made to the bill.

Representative Keiser: As you know you sent the bill over and the House IBL Committee looked at it. We looked at what they had spent the last biennium and also took into consideration the cuts in Higher Education and came in at \$782,000, I am not sure of the exact number. Then it was referred to Appropriations and they cut it down to \$500,000 and that is where we are at.

Representative Boe: I would also add to that we also changed the source of the funding from general funds to the student loan trust fund. So it has no bearing on the general fund.

Representative Ruby: I was talking with someone from the Appropriations Committee and I didn't get an updated form basically of this student loan trust fund. If you pull it up on the state website now, it is actually in the red but they said that there are some things that have been changed. I am sure that Representative Boe probably has the most updated one. It shows an ending balance of 3.3 million. The way I was understanding it from some, is that they thought there would probably be around \$300,000 left but I don't know where they got that number.

Representative Boe: Brady Larson sent that to me at supper time last night. Analysis of the Student Loan Trust Fund for the 2015-2017 Bienniums, see attachment #1.

**Chairman Casper:** Right now it is five hundred but whatever the dollar amount was, it would come out of the 3.34?

Representative Boe: No, the five hundred is already taken out. The 3.3 some million, that is left over is on top of the other monies that are taken out. In two spots there, it would be

Senate Industry, Business and Labor Committee SB 2144 Conference Committee April 11, 2017 Page 2

\$500,000 out for non-beneficiary students, that goes into the Higher Education budget and then there is the \$500,000 that we are talking about here. That is already taken out of there and taken into account. The 3.3 million is what is available for appropriations.

Chairman Casper: I think the position of the Senate when it came out of here, our committee was just happy about the work that had been done with this program and they seem to have great success. The one institution went above and beyond the rest, and had really taken advantage and done things the right way and have seen positive results. I don't know if Senator Marcellais, do you want to add to that at all?

**Senator Marcellais:** I've seen the program and in Turtle Mountain Community College and it has really helped their economy up there. The one individual that testified before us, he mentioned that he had been a musician in a band at one time and it put him in the right direction. Getting a job and getting his family back together. It was really a positive and emotional testimony that he had in our committee. I have seen other students that have been successful in this program and that is what I am looking at. It is very well conducted, the college puts on a good program and it employs a lot of our students up there that haven't been employed. It has really helped our district along.

Representative Ruby: I agree. I think they have done some good things. It is just the way we had discussed that at some point when it was started, that it would then scale back and at some point it would be self-sufficient. I guess some of us on the committee thought that should be happening sooner than it is. I don't think I supported the amount that came out of the House but this was brought down. I heard some from our leadership say that they won't allow more than \$500,000 to pass. From the House standpoint I think we should probably play it safe and keep it where it passed.

**Chairman Casper:** I appreciate that. I think my thing here, I have gone through all of this and this is the first time seeing the switch of the funds here and where the balance is. I would like to take a look at this and reconvene if that is good with the members.

Representative Keiser: I think that is a good idea to look at this fund, this is a special fund but does not have the dollars coming back into it. We are going to run out of dollars on this fund, from what I have been told. There is a source that gets handed to it for some reason, I don't understand why. We should check into that but regardless, they do have a great program there and we need to find the opportunity to do it. I will share with the committee that we took time and worked with Job Service to look at the unemployment rate and they couldn't provide an unemployment rate on the reservation. They did provide unemployment rates for the county and interestingly the county is no better off in terms of overall unemployment. It is unfair to use that as a criterion because there are a lot of people in the county and very few students. I mean if we employed 100% of the students, we are not going to have a big impact on that number. It would have been ideal if we could have shown some significant adjustment in the unemployment rate in the county in which this program was. The budgetary concern is number one, how do we balance the budget and get out of here and at the same time do what we can for any program including this one. I think your suggestion Mr. Chairman is very good.

Senate Industry, Business and Labor Committee SB 2144 Conference Committee April 11, 2017 Page 3

Representative Boe: I would just like to add when we started this program we started out with a 5million dollar appropriation with the hopes that something would grow out of it. We did it a couple of biennium's and it is the second biennium. I think there was six hundred thousand dollars that was not appropriated out because no one had use for it so we carried that forward. We appropriated another 3million dollars with the caveat that we want to see results. Now we have the one candidate that brought us exactly what we were looking for and I am still holding out hope that it is going to grow into something and we are going to see a significant change in the unemployment. I don't want to give up on it now. I want to see it through. I would be happy to meet with you again.

Representative Ruby: I appreciate what Representative Boe said but I think what we want to see is the results based on the money that we gave them. That isn't always a promissory agreement to continue it but we gave them the money and we want to see results from that money and I think they did show us results and that is a good thing. I think it is good for their whole area and I think it is good with their program. I was pretty impressed especially with the CDL training that they do. I think that is very good and I think the welding and all the other areas that they work with are just as good but is that the states responsibility to continue that with our budgetary issues, that is the biggest concern.

Chairman Casper: I appreciate everyone's time and attention and hearing no other comments, we will adjourn.

#### 2017 SENATE STANDING COMMITTEE MINUTES

## Industry, Business and Labor Committee

Roosevelt Park Room, State Capitol

SB 2144 4/13/2017 Job Number 30107

☐ Subcommittee☒ Conference Committee

Committee Clerk Signature	Eva Liebelt	
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#### Explanation or reason for introduction of bill/resolution:

Workforce Development Grants for Tribally Controlled Community Colleges

Minutes: No Attachments

**Chairman Casper:** Welcome back. We met last time and talked about where the members were at and the position of the House was in with the legislation.

Representative Keiser: I was looking over the budget that was handed out in terms of the state loan trust fund. It is a declining fund and it is going to run out of money. With the \$500,000 that is place in here as the source of the funding for the bill as it currently exists, that is one thing. The other thing I would like to point out just for your benefit because I found it extremely interesting during the interim. You notice that the last item is the medical residency programs. We had Dean Wynne in front of us at the committee and we were talking about work force and the basic question was, why don't we train more docs? Everyone one of us knows some family that has had a child that applied and was fully qualified and couldn't get into the medical school and went to the University of Chicago or wherever and why don't we create more slots? He said, we would not create one more seat in our school. We will not bring in another student if we do not have a residency at the end of their educational training program because they cannot become a physician without the residency. Then he went on to point out that not only are we not increasing the residency but when sequestration was passed, the medical residency programs in the country were primarily funded by federal dollars, we lost fifteen slots. What they put into this bill is eleven million dollars for those slots. I just point that out because there are some programs in here that are really crucial to the state of North Dakota. We cannot train less physicians then what we are currently training. I know this runs out, there is only three million left at the end of it but we are picking all of our buckets clean and next session even with a dramatic increase in revenue, is going to offset what we are taking out of the various buckets we have. I just wanted to make that point on the source of this funding as it exists.

**Chairman Casper:** I appreciate that. We did visit about that and I wanted you to bring that up because I do think it is interesting on what is going to happen with the medical school and the issue there. We definitely do have a demand for docs. That not only applies here because of where the funds are coming from but I think for the record, I appreciate the work that has

Senate Industry, Business and Labor Committee SB 2144 Conference Committee April 13, 2017 Page 2

been done on that and I don't see that number going down. Looking at the numbers here for this program. Last time we were talking about a half million, we were talking seven-fifty. The Senate would prefer to do the seven-fifty but I think we would think six-twenty-five is better than five hundred thousand. I think we would consider that and if this is something we could move out of this committee and the House members should bring to the House floor and see where it goes there. We want to make sure that they get a half million if it didn't get favorable consideration on the six-twenty-five on the House floor that we could at least find another vehicle to at least get them a minimum of five hundred thousand. We would be interested in at least taking the chance to get to six-twenty-five.

Representative Ruby: I guess I have a question. The only one here, that is on the appropriations committee is Representative Boe. It looks like in the last biennium appropriations took basically half of the funds out of this fund and now they are chipping away some more. Actually they are not just chipping away, especially with the large amount for the residency. Do you know if the goal of appropriations is to finally zero this out and get rid of this fund? The only revenues that we are going into were the interest that was in it and if so, a motion like you are suggesting Mr. Chairman would be taking more of these funds? What is the purpose, is this a fund that we are trying to hold on and keep some funds in? Is it a fund that we are just going to zero it out at some point? Once it is zeroed out all of the other projects that were using this for fund are all going to have to be transferred into general funds or go away.

**Representative Boe:** From what I understand unless we do something different, the source of funding will dry up. The money I think was \$275,000 that is estimated to come in and that is for the left over student loans that are still out there that are pretty antique. As I understand it unless we come up with a new funding source for this fund it will be gone.

**Chairman Casper:** The only thing that I would add to that is that I can appreciate the need for those funds moving forward but that being said, that idea of generating interest and the difference between, I have feeling that most of this money is going to be gone and not collecting a lot of interest. I find this to be a meritorious use of it. I think it is worth the shot to see if we can get another \$125,000 and meet in the middle here.

**Representative Boe:** Just for your information, this is special funds and doesn't have any bearing on our general fund balance. These are the special funds and it was a good place to have but as Representative Ruby pointed out, it won't last forever.

Representative Keiser: Before there is a motion for discussion purposes. I will share with you a concern I have. I believe in this program. I think they have demonstrated that it was an effective program. I do have a concern. Obviously you have two vehicles, you have this potential vehicle to fund something and if we were to kill this you can try to get it on the OMB bill but if the House kills this bill. I think it will be very difficult to get it on the OMB bill. I think that will be very difficult to achieve, if we kill it. I believe in this enough that I think we want to pass it and I just caution you that the five hundred thousand was a pretty firm statement from appropriations and we have a number here. The policy committee, it was eight to five that wanted no funding. At five hundred thousand we will pass it. I will get the majority to go for it. Six-twenty-five, it is really nothing in this big scheme of things, it is more of a perception. I

Senate Industry, Business and Labor Committee SB 2144 Conference Committee April 13, 2017 Page 3

just caution this conference committee we are going to do whatever comes out we are going to take to the floor but it could go to zero and that is the risk we run.

**Representative Boe:** Representative Keiser is correct. Trying to augment it by one hundred thousand dollars is probably not worth the risk. We are probably better off sticking with the five and if we were confident that we could stick something on someplace else, we can augment that any place too. That is just a funding mechanism that you put in someplace else. We could end this at the five and play it safe and go roll the dice in another room.

Chairman Casper: I appreciate the thoughts on that. I think we are in a real interesting position here because when it comes to the five there is nothing we have to do here to technically do that. At this point what I am hearing from the House members, I would prefer to adjourn.

**Representative Keiser:** If you would want we can certainly talk to leadership in appropriations and ask if they would put this on the OMB budget.

**Chairman Casper:** I would rather have that discussion instead of us shaking dice not knowing what is in the jar. I appreciate that and we will get something settled here. We may just end up concurring too. We will adjourn.

#### 2017 SENATE STANDING COMMITTEE MINUTES

#### Industry, Business and Labor Committee

Roosevelt Park Room, State Capitol

SB 2144 4/17/2017 Job Number 30173

☐ Subcommittee☒ Conference Committee

Committee Clerk Signature	Liebelt							
Explanation or reason for introduction of bill/resolution:								
Workforce Development Grants for Tribally Controlled Community Colleges								
Minutes:	No Attachments							

0.1.1

**Chairman Casper:** Opened the meeting. Welcome back and thanks for being here. After our last meeting I think we decided a bird in the hand is better than two in a bush and take the \$500,000. That would require us to accede to the House amendments.

Senator Campbell made the motion for the Senate to accede to the House amendments.

Representative Boe seconded the motion.

Roll Call Vote: Yes-6 No-0 Absent-0

Senator Casper will carry the bill for the Senate.

Representative Keiser will carry the bill for the House.

Date: 4/17/2017 Roll Call Vote #: 1

# 2017 SENATE CONFERENCE COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2144 as (re) engrossed

Senate Industry, Business and Labor Committee  Action Taken   □ SENATE accede to House Amendments and further amend  □ HOUSE recede from House amendments  □ HOUSE recede from House amendments and amend as follows  □ Unable to agree, recommends that the committee be discharged and a new committee be appointed												ew		
Motion Made by:	Senator Campbell							Seconded by: Repre	sentati	ve Bo	e			_
Senators		4/11	4/13	4/17	Yes	No		Representative	s	4/11	4/13	4/17	Yes	No
Chairman Casper		x	Х	X	X			Representative Keiser		x	х	x	Х	
Senator Burckhard	11 37 1	Х	X	7.27				Representative Ruby		X	Х	Х	X	
Senator Marcellais	111	Х	Х	X	X			Representative Boe		Х	Х	Х	Х	
Senator Campbell	4 y V	-	-	×	Х		in distribution							
Γotal Senate Vote		Page 1			3			Total Rep. Vote		問題	170-27	Walls	3	
Vote Count Yes: 6 No: 0 Absent: 0														
Senate Carrier	Sena	tor C	aspe	er			Н	louse Carrier Rep	resenta	ative	Keis	er		
LC Number _							_			of a	men	dme	nt	
Title Number										of o	engr	ossm	ent	
Emergency claus	e adde	d or	delet	ed										
Statement of purp	ose of	ame	ndm	ent										

Module ID: s\_cfcomrep\_69\_003 Senate Carrier: Casper House Carrier: Keiser

#### REPORT OF CONFERENCE COMMITTEE

SB 2144: Your conference committee (Sens. Casper, Campbell, Marcellais and Reps. Keiser, D. Ruby, Boe) recommends that the SENATE ACCEDE to the House amendments as printed on SJ page 1123 and place SB 2144 on the Seventh order.

SB 2144 was placed on the Seventh order of business on the calendar.

**2017 TESTIMONY** 

SB 2144

#### SB 2144

#### SENATOR JOAN HECKAMAN

Chairman and members of the Industry, Business and Labor Committee:

I am Senator Joan Heckaman from District 23. I am here in support of SB 2144. This workforce grant will provide financing to continue an important program to provide training at Turtle Mountains Community College. Previously, the legislature supported similar such grants to all ND tribal colleges. And I can speak personally that the grants received by Cankdeska Cikana Community College at Fort Totten have been used effectively to develop workforce training programs beneficial to the entire region.

Before you today is a tribal college with an impressive success rate with data to support their programming and future needs. Not only is this grant important to the individuals who receive their certifications but also to their families and the businesses they work for. I won't take any more of your time because you need to hear about the success of this workforce development program.

I ask you to support SB 2144.

Thank you.

Senate Bill 2144-65<sup>th</sup> North Dakota Legislative Assembly
Committee on Industry, Business & Labor, Senator Jerry Klein, Chair
Monday, January 16, 2017 – Roosevelt Room
Testimony Provided By: Dr. Jim Davis, President, Turtle Mtn. Community College

Good morning! Chairman Klein and members of the Industry, Business & Labor Committee, my name is Jim Davis and I am the President of Turtle Mountain Community College (TMCC). I thank you for affording me the opportunity to provide testimony on Senate Bill 2144, a Bill for an Act and reenact sections 54-60.2-01 and 54-60.2.02 of the North Dakota Century Code, relating to workforce development for tribally controlled community colleges; and to provide an appropriation.

TMCC received state workforce development funding in the 2013 and 2015 bienniums. During those bienniums, TMCC received just over \$2.2 million which required an application to the ND Department of Commerce for their approval. TMCC was adamant that the use of these funds be geared to developing employment for individuals in our college community which included both American Indian students and non-Indian students. The initial steps for the utilization of these funds involved developing curriculum for these programs of study; advertising and hiring of staff and instructors; obtaining regional and state accreditation; student recruitment; purchasing of materials, supplies, and equipment; assessing the success of the programs; and providing written reports as required by the ND Department of Commerce.

We created and implemented five career paths that meet the state's workforce needs. These career paths include Commercial Vehicle Operators; Commercial Equipment Operators; Oil Field Operators with a Machinist component; Welders including Pipe Welding; and, Entrepreneurs.

As we proceeded with the implementation of these programs and our strong emphasis on achieving results, we began to see immediate successes in regard to the number of students served, number of graduates, and number of placements. As an example, through August 2016 (three years), we served 352 students – our goal for the entire four-year cycle is 217 students. Through August 2016 we graduated 191 students – our goal for the entire four-year cycle is 162 students. Through August 2016, we placed into employment 179 graduates – our goal for the entire four-year cycle is 129 student graduates.

So far, the return on investment (ROI) is \$2.6 million, and by the time the funding expires for this biennium, the ROI could very well be over \$3.0 million. A lot of the success we've had is reflected in being able to hire and retain well qualified faculty whose commitment to their programs and students is tremendous.

We utilize our Career and Technical Education Advisory Committee — our partners — to assist with feedback and continuous improvement. The Advisory Committee members are from industry, business, and labor located at the tribal, regional, and state levels.

Through August 2016, and recognizing our successes yet to come, we believe that TMCC is very well positioned to qualify for another round of state funding that focuses on continued development for some of our programs and enhancement of others. We have demonstrated our ability and capacity as a viable source for the training of individuals and helping to meet the workforce demands in North Dakota.

I recommend a "do pass" by this Committee. Thank you very much and I will entertain any questions you might have at this time.



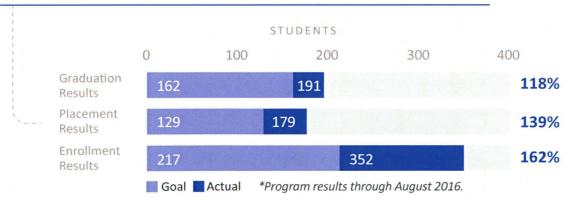
# ROI REPORT ON WORKFORCE TRAINING OUTCOMES

# **Tribal College Grant Program Reaps Positive Workforce Benefits\***



\$2.6
MILLION
COMPOUNDING
ANNUAL RETURN

# **TMCC Workforce Training Grants: Additional ROI Benefits\***



## **Mark of Distinction**

TMCC is among the most affordable community colleges in America. The college ranked 3rd in the nation among 821 community colleges for its cost and financing, which takes into account the cost of in-state tuition, availability of grants, cost per student and school spending efficiency. (WalletHub, 2016)



<sup>\*</sup>During the past two biennium (2013 & 2015), the State invested \$2.2 million in Turtle Mountain Community College (TMCC) Workforce Grants, which has resulted in over \$2.6 million in annual workforce earning. (Based on 64 full-time student placements earning an average income of \$20.12/hour)

# North Dakota's Tribal College Grants

Created 5 New Career Paths to Meet the State's Workforce Needs



Commercial Vehicle Operators (CVO Program)



Heavy Equipment Operators



Oil Field Operators (with a Machinist Component)



Welders



Entrepreneurs

#### Provided Employment for 7 Faculty/Staff Members



Welding Instructor



CVO Instructor



Machinist Instructor



Oil Field Operations Instructor



Career Navigator



Program Director

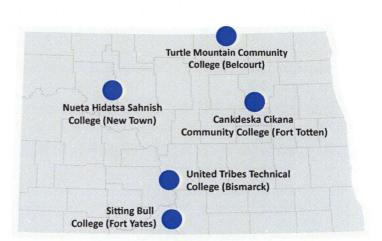


Heavy Equipment Operator Instructor

# Tribal Colleges Boost State's Economy

In 2016, the five Tribal Colleges of North Dakota contributed over \$192 million to North Dakota's economy and employed over 800 workers.\*

\*Study conducted by North Dakota State University on behalf of the North Dakota Association of Tribal Colleges (2016).



# **Bottom Line Benefits**

North Dakota's Tribal College Grant Program provides graduates with opportunities to pursue careers that can enhance prosperity and fulfillment for themselves, their families and their communities.

"Prior to attending College, I was employed at various jobs and did not really know what to do with my life. After graduating from the welding program, I moved to Grand Forks and I'm currently working for Anderson Steel Erection Ironworkers. TMCC's staff was all very helpful and have provided me with the skills to not only better myself, but also better my family."

Harrison - Welding Technology

"I enrolled at TMCC and graduated from the Welding program, immediately finding work as a welder in the oil fields. It was difficult for me to be away from my children and very costly for my family, so I re-enrolled at TMCC and graduated from the CVO program. Today, I work for a trucking company and I'm proud to say I have a take-home salary of \$1,000/week."

Jason - Commercial Vehicle Operations

# TURTLE MOUNTAIN COMMUNITY COLLEGE TRIBAL COLLEGE GRANT ACTIVITIES

#### Commercial Vehicle Operations – 16 Week Certificate

- Permit
- Class "A" Commercial Driver's License
- Hydrogen Sulfide H2S Gas certification
- Occupational Safety and Health Administration (OSHA) 10 Hour
- Defensive Driving Cert (DDC4)
- Skid Steer Certification (IVES)
- 20 30 hours of hands-on simulated driving
- 40 75 hours of road trip behind the wheel miles (competency based)
- 1,000-mile road trip real life experience city, highway, trip planning, mountain driving, and students meet with industry leaders/partners.

#### **Faculty Experience and Qualifications:**

Edwin Acosta, Commercial Vehicle Operations Instructor

- 11 years of experience driving
- o 8 years of military service Missile Maintenance Tech.
- o DDC4 Certified Instructor ND safety council
- NDSBCTE Certified Instructor
- o 2 year A.A.S. Degree
- o OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Endorsement Certified Tanker Vehicles, doubles and triples, school bus, & passenger
- o TMCC Teaching Experience 4 years

#### Craig Johnson, Commercial Vehicle Operations Instructor

- o 20 years of experience
- o 1.5 M logged miles
- DDC4 Certified Instructor ND safety council
- o NDSBCTE Certified Instructor
- o OSHA
- o Hydrogen Sulfide H2S Gas certification
- Endorsement Certified tanker vehicles, doubles and triples, school bus, & passenger
- TMCC Teaching Experience 2 years

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#### **Commercial Equipment Operations**

- Orientation of the Trade (benefits of trade)
- Intro to Heavy Equipment Operation Theory
- Simulated Learning (4 simulators) 10 hours/station
  - Motor graders
  - o Dozer
  - o Track hoe
  - Front End loader
- 50 hours/equipment of hands-on learning at job site for each
  - o Scraper
  - Bulldozer
  - o rubber tire backhoe
  - o motor grader,
- OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Flagger Certification
  - \*\* MOU with TM Transportation Department (shared cost). Hands on project Build approaches for TMTD

#### **Faculty Experience and Qualifications:**

Albert Parisien, CEO/HEO Instructor

- o 47 years of work experience as a HE Operator
- o Certified HEO from UTTC
- o 18 years BIA (Head of the Road Department) (Civil Engineer Tech)
  - Supervised 4-10
  - o Responsible for 154 miles of road to maintain
- Worked for private contractors as a HEO
- OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification

#### Kurt Fleury - CEO/HEO Instructor

- 41 years of work experience as a Heavy Equipment Operator with BIA
  - o 10 years of experience as a scraper operator
  - 31 years of experience as a road maintenance worker (Responsible for 70 miles of road maintenance)
- Class "A" Drivers License (CDL)
- o OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Several other certifications while employed by the BIA

#### **Welding Technology Program**

- Shield Metal Arc Welding (SMAW)
- Gas Metal Arc Welding (MIG)
- Oxy/acetylene gas welding & Cutting
- Fabrication Methods & Materials
- Gas Tungsten Welding (GTAW)
- Metallurgy
- Blueprint Symbols for Welders
- Blueprint Reading
- OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Students are required to complete 60 of Internship hours
- TMCC Plate Bend Test All graduates are required to be certified by ND State Welding Testing Services of Minot.

#### **Pipe Welding**

- Pipe Fabrication & Welding
- · Pipe Fitting and welding
- Community service projects

#### **Faculty Experience and Qualifications:**

Curtis Poitra - Full Time Welding Instructor

- o 39 years of work experience as a welding
- o Member of Plumbers and Pipe Fitters of ND Local 300 Union since 78
- o Retired Union member
- On-the job training
- o OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- NDSBCTE Certified Instructor
- United Association Certification (weld anywhere)
- Pipe Fitter Certification
- o General Foreman on various jobs

#### Carl Eller - Full Time Welding Instructor

- o 42 years of welding experience
- o 35 years of membership Plumbers and Pipe Fitters Local 300 of Minot
- 12-month certificate from NDSCS
- o Certified as a pipe welder
- St. Paul Tech Chrome and Stainless Certs.
- o Billings MT SMAW & Open Root pipe
- o OSHA
- Certified Crane Signal Man
- o Hazmat
- o General Forman, supervisor
- o NDSBCTE Certified Instructor
- o 9 years of higher education teaching experience

#### **Basic Machinist**

- Blueprint Reading
- Intro to Machine Technology Theory
- Measure and layout
- Instrumentation reading and calibration
- Lathe and Milling Operations
- Threating
- Manufacturing small parts/projects using milling and treating
- This program is designed to develop skills to work in a small machine shop or enhance skills and transition into the welding and/or oil field operation program.

#### **Faculty Experience and Qualifications:**

Brian Birkland - Full-Time Machinist Instructor

- o 30 years 'of work experience as a Machinist in Manufacturing
- o CNC/NC Training
- o 11 month certificate in Machine Tool Technology
- o Certified in tool and die, jig and fixture training
- Metallurgy
- NDSBCTE Certified Instructor
- 2 years of teaching experience

#### **Oil Field Operations**

- Rough terrain equipment (IVES) 50 hours of hands-on-operating required
- OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Skid Steer Certification (IVES) 30 hours of hands-on-operating required
- First Aid/CPR Certification
- Work Platform and Ariel lifts (IVES) 16 hours of hands-on-operating required
- Theory
- Pumps gages and valves certification

#### **Faculty Experience and Qualifications:**

Jeff Azure, Oil Field Operations Instructor

- o 37 of industry work experience
- Certified IVES Instructor
- HAZWOPER
- o OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- A.A.S. in Machine Tool Technologies
- Owner operator of Azure Tool and Die
- Certified Management and Supervision
- Specialized in CNC
- NDSBCTE Certified Instructor
- 3 years teaching experience at TMCC

# Senate Bill 2144 - 65<sup>th</sup> North Dakota Legislative Assembly Committee on Industry, Business & Labor, Senator Jerry Klein, Chair Monday, January 16, 2017 – Roosevelt Room Testimony Provided By: Sheila Trottier, CTE Director, Turtle Mountain Community College

Good morning! Chairman Klein and members of the Industry, Business & Labor Committee. My name is Sheila Trottier and I'm the Career & Technical Education Director at Turtle Mountain Community College.

The first year of the Tribal College Grant was in many ways a developmental year, with curriculum development, purchasing of equipment, interviewing and hiring new staff, and implementation of specific grant activities. The grant gave TMCC an opportunity to increase capacity including infrastructure, program offerings, and to build a foundation to increase the attainment of industry-recognized certificates and degrees with a focus on stackable credentials, where students attain a sequence of credentials that can be accumulated overtime and used to move along or up a career ladder. The grant provided for program development, enhancement, and expansion. An intensive/customized student support systems – from intake to job placement was implemented through career navigation. Additionally, funding played an important role in strengthening partnerships with business and industry resulting in increased programmatic alignment to good jobs and increased opportunities for students to find and secure employment, and retain those jobs.

Through the grant, we were able to enhance curriculum and technology available to students. The enhancement of the Commercial Vehicle Operations program allowed students to earn a basic CDL certificate as well as one in Commercial Equipment Operations and by adding the two certificate, students can complete two concentrations during a nine-month period enabling them to play various roles on highway construction projects.

The grant enhanced and expanded the Welding Technology program by adding three new welding booths, two welding simulators and a new ventilation system in the shop. The program expanded the curriculum by offering additional units of instruction and shop hours in Shield Metal Arc Welding (SMAW), Gas Metal Arc Welding (MIG) and Oxy/Acetylene Gas Welding & Cutting and the option to advance into the 16-week Advanced Pipe Welding certificate. These changes provided an increase in students' employability and skill set.

The development of the Oil Field Operations program, unique to the state, and meeting the workforce training needs in the Bakken, offered hands-on training using the IVES industry credential with an emphasis in safety. The program offers industry certification in rough terrain equipment -50 hours of hands-on, OSHA – 10 Hour, Hydrogen Sulfide H2S Gas certification, Skid Steer Certification (IVES) 30 hours of hands-on-operating, pumps gages and valves certification. Another new program, the Basic Machining program provides certification in measure and layout, instrumentation reading and calibration, Lathe and Milling Operations and incorporates other industry certifications. Both programs are 16-week certificate programs with the ability to combine both programs and earn a 9-month certificate.

In many ways the implementation of goals in this grant was new ground for TMCC. This was our first effort to obtain Higher Learning Commission's approval to offer accredited, 16-week certificate programs, which was accomplished. Along with HLC approval, TMCC applied for Title IV federal financial aid eligibility for each new certificate and was granted approval. TMCC also obtained approval by the North Dakota Department of Career & Technical.

In addition businesses and employers play a significant role in the implementation and success of the programs by serving on advisory boards and attending face-to-face meetings. They provided input into the design and operation of programs by reviewing curriculum and equipment. They have also serve as placement sites for internships and have hired our program graduates.

I recommend a "do pass" by this committee. Thank you very much and I will entertain any questions you might have at this time.

# Senate Bill 2144 65<sup>th</sup> North Dakota Legislative Assembly Committee on Industry, Business & Labor – Jerry Klein, Chair Monday, January 16, 2017 – Roosevelt Room Testimony Provided By: Jerry Allery – Graduate, Turtle Mountain Community College

Good Morning! Chairman Klein and members of the Industry, Business & Labor Committee. My name is Jerry Allery and I am a graduate of the Commercial Driver's License (CDL) program at Turtle Mountain Community College.

Before deciding to enter the CDL program in the fall of 2013 I worked for years as a laborer – in construction and concrete, back breaking work. I worked various shifts for several companies over the years, sometimes employed full time but still temporary or seasonal. Other times I worked day labor jobs, working spot jobs and getting paid the same day. I shifted around with laborer work – wasn't ideal at the time. It didn't provide me with a reliable income source for my family. I had a wife and children and my wife and I had to make it work however we could with our work schedule and raising our kids. In earlier years I was a musician, playing in a band around the area in bars, definitely not the lifestyle for a family man, but I needed the income.

I was going through the hardest time of my life during this period. I was experiencing tremendous hardship. I was living away from my community and dealing with alcoholism and going through a divorce. I knew I needed a change, something needed to give so I would be able to live the life I knew I was capable of, but I was very depressed and didn't know where to turn. I decided to move back home to Belcourt and entered a treatment facility to get clean. After treatment, I got involved in our traditional Ojibwa ways, learning about and participating in Sundance, Sweat Lodges and other traditional cultural activities. Times were tough, especially the divorce, that was really tough. I felt that my new found sobriety and spirituality were steps in the right direction. As I matured and my kids got older, I realized I needed a serious career, I really wanted a real job where I felt my self-worth. At this time in my life I heard about the new, upcoming CDL program at TMCC and thought I'd give it a shot. I thought to myself "at least I won't have to shovel anymore-laborer work is hard on your body and I wasn't getting any younger". I knew that long-term formal education wasn't a great fit for me as I thought about what direction I wanted to take my life. I wanted to better myself, not only for me but mostly for my family. Something about the CDL program just fit my needs, as I come from a vocational working family – my mother was a welder. I was around heavy equipment my whole life with my grandpa doing that kind of work. The program was the right fit for me, and it was perfect timing.

I enrolled in the program in the fall of 2013. I'm going to be honest, while I was going through the program, I almost quit a couple times but I just hung in there. I even called trucking companies before I got my license trying to find employment but no one would actually hire me until I earned my Class A license. I knew my only option was to keep pushing through and complete the program. My hard work paid off in the end, I earned my Class A Driver's License as well as my 16-week certificate from TMCC. I was a go-getter, and as soon as I got my CDL I stared looking for work, even going to job sites when I wouldn't get call backs. I eventually got hired on. Not only did I earn my license while going through the program, I became OSHA certified as well as being trained on Skid Loader operation. The program allowed me to obtain certificates and credentials that helped me become more employable.

The first job I got was with Knife River Corporation, one of the largest construction materials and contracting companies in the United States. Most local trucking and construction companies won't hire inexperienced "green" drivers but they took a chance on me. My starting wage for my first driving job

was \$31/hr. plus overtime. I was taking home about \$1900 per week. I have to say, the first few weeks of working out of town were very difficult. I didn't have a dime to my name but I was so happy that I had my first driving job, I would do anything to keep it. I had no money and couldn't afford a room, so I slept in my van near the jobsite; I put a mattress in the back and had water and little food. In fact, somedays in the beginning I didn't have food or water at all. Those were very rough days. I would work 13/hr days with no food or water. My boss heard about me sleeping in my vehicle and he respected my diligence and work ethic. He seemed to make an example of me-telling other workers, "this guy wants to work." It felt good to receive recognition and know that my hard work was paying off. After I received my first pay check, I was eventually able to rent a camper.

Although I was grateful for the opportunity and very happy about my high wage, I had to leave my first job, I am a single father who is raising my son. While I was away working my son had to live with family and this situation became too stressful for both of us. I moved back to my hometown and was able to get hired through a local company since I had work experience now. I started working for Pinky's Aggregate based out of Rolette, ND. They were a good company and it was a big job close to home so it worked out great for me and my son. My wages there were \$27/hr. and I didn't have the added expense of living away from home. Many times I thought to myself, "this isn't going to be easy, its hard sometimes". There were times at Pinky's where we worked until December in freezing cold temperature and your gravel will freeze up. The gravel needs to be chipped away when it's frozen; this is very hard work. I remember one incident where a friend and mentor of mine, had a slight heart attack on the job. I've seen rollovers with the semis and other dangerous work hazards. There are things that make you wonder if you should be doing this. This type of work is not all peaches and cream but in the end it all pays off.

Working full time, utilizing my CDL, and securing pretty regular employment has made such a difference in my family's life. It just felt so unreal, I finally have a life, one I am proud of where I was receiving a check every week. I started buying my kids things they always wished they could have, such as a \$500 Xbox, \$700 phone and all the fancy clothes. I never got to give my kids anything like that through the years. The feeling was amazing, to be able to give my kids all the nice things children have these days.

Unfortunately, a lot of driving jobs in the area are seasonal, and I have down time in the winter months. But as long as I have my own home, a decent running vehicle and my kids are cared for I feel content. I've raised my older children to graduate and go off to college, staying away from alcohol and drugs. As long as my kids are happy I know I've done my job on this earth. I have since earned my Class B Passenger endorsement license and I am substitute bus driver for our local schools. In the spring I will go back to work as a truck driver.

I always tell people who had the same struggles I had in life, "you have to do the work, want to make the difference". My belief is, first and foremost, have the Lord in your heart. On the job, I would say a little prayer in my mind to help me get through the day. You do feel like giving up a lot of times but you we all have to just keep going and don't give up. The truth is, even when days are tiring and problems come up you still have to keep working and living. My mom always said, working is good for your soul, and now I know what she meant by that. TMCC's CDL program helped take me from one place to the next, it was definitely life changing.

Thank you for listening to my testimony.

# Tribal College Grant Program 2015-2017 Biennium

#### Nueta Hidatsa Sahnish College

Business Development, \$485,819

Funds used to purchase equipment, supplies, software and staff salaries to develop a Business and Entrepreneurial Center on the campus of NHSC. Students would earn an Entrepreneurship Certificate upon completion.

NHSC Total: \$485,819

#### Cankdeska Cikana Community College

Skilled Trades/ Business Programs, \$828,929

Funding used to pay a portion of salaries for faculty and staff for the Construction Management, Business and Commercial Driver's License program as well as TCG administrative staff. Funding was also used for supplies, equipment, etc. for the above mentioned programs.

CCCC Total: \$828,929

#### **Sitting Bull College**

Heavy Equipment Operator Training, \$959,462
 Funding was used to purchase a fleet of heavy equipment such as a backhoe, dozer, excavator, etc. and funding for instructor costs. Students will be trained on a number of pieces of equipment.

SCB Total: \$959,462

#### **United Tribes Technical College**

Welding, Heavy Equipment and CDL programs, \$356,909
 Funding was used update curriculum in order to provide two separate certificates in the HEO and CDL program. Also the welding curriculum was revised and expanded to two semesters.
 Due to this enhancement, UTTC is an American Welding Society (AWS) approved testing site.

UTTC Total: \$356,909

#### **Turtle Mountain Community College**

Heavy Equipment Operator Training, \$983,738
 Funding was used further develop and enhance the following programs: CVL/CEO, Pipe Welding, Oil Field Operations and Machining. Funds were used for instructional costs and program supplies and materials.

TMCC Total: \$983,738

Total Funds Committed During 2015-17: \$3,614,857

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Senate Bill 2144 – 65<sup>th</sup> North Dakota Legislative Assembly
Senate Appropriations Committee, Senator Ray Holmberg, Chair
Thursday, January 26, 2017 – Harvest Room
Testimony Provided By: Dr. Jim Davis, President, Turtle Mtn. Community College

Good morning! Chairman Holmberg and members of the Senate Appropriations Committee, my name is Jim Davis and I am President of Turtle Mountain Community College (TMCC). Thank you for affording me the opportunity to provide testimony on Senate Bill 2144, a Bill for an Act and reenact sections 54-60.2-01 and 54-60.2.02 of the North Dakota Century Code, relating to workforce development for tribally controlled community colleges; and to provide an appropriation.

TMCC received state workforce development funding in the 2013 and 2015 bienniums. During those bienniums, TMCC received just over \$2.2 million which required an application to the ND Department of Commerce for their approval. TMCC was adamant that the use of these funds be geared to developing employment for individuals in our college community which included both American Indian students and non-Indian students. The initial steps for the utilization of these funds involved developing curriculum for these programs of study; advertising and hiring of staff and instructors; obtaining regional and state accreditation; student recruitment; purchasing of materials, supplies, and equipment; assessing the success of the programs; and providing written reports as required by the ND Department of Commerce.

We created and implemented five career paths that meet the state's workforce needs. These career paths include Commercial Vehicle Operators; Commercial Equipment Operators; Oil Field Operators with a Machinist component; Welders including Pipe Welding; and, Entrepreneurs.

As we proceeded with the implementation of these programs and our strong emphasis on achieving results, we began to see immediate successes in regard to the number of students served, number of graduates, and number of placements. As an example, through August 2016 (three years), we served 352 students – our goal for the entire four-year cycle is 217 students. Through August 2016 we graduated 191 students – our goal for the entire four-year cycle is 162 students. Through August 2016, we placed into employment 179 graduates – our goal for the entire four-year cycle is 129 student graduates.

So far, the return on investment (ROI) is \$2.6 million, and by the time the funding expires for this biennium, the ROI could very well be over \$3.0 million. A lot of the success we've had is reflected in being able to hire and retain well qualified faculty whose commitment to their programs and students is tremendous.

We utilize our Career and Technical Education Advisory Committee – our partners – to assist with feedback and continuous improvement. The Advisory Committee members are from industry, business, and labor located at the tribal, regional, and state levels.

Through August 2016, and recognizing our successes yet to come, we believe that TMCC is very well positioned to qualify for another round of state funding that focuses on continued development for some of our programs and enhancement of others. We have demonstrated our ability and capacity as a viable source for the training of individuals and helping to meet the workforce demands in North Dakota.

I recommend a "do pass" by this Committee. Thank you very much and I will entertain any questions you might have at this time.



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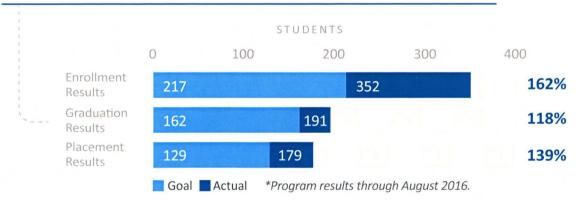
# ROI REPORT ON WORKFORCE TRAINING OUTCOMES

# Tribal College Grant Program Reaps Positive Workforce Benefits\*



\*During the past two biennium (2013 & 2015), the State invested \$2.2 million in Turtle Mountain Community College (TMCC) Workforce Grants, which has resulted in over \$2.6 million in annual workforce earning. (Based on 64 full-time student placements earning an average income of \$20.12/hour)

# **TMCC Workforce Training Grants: Additional ROI Benefits\***



# **Mark of Distinction**

TMCC is among the most affordable community colleges in America. The college ranked 3rd in the nation among 821 community colleges for its cost and financing, which takes into account the cost of in-state tuition, availability of grants, cost per student and school spending efficiency. (WalletHub, 2016)



# North Dakota's Tribal College Grants

Created 5 New Career Paths to Meet the State's Workforce Needs







Heavy Equipment Operators



Oil Field Operators (with a Machinist Component)



Welders



Entrepreneurs

#### Provided Employment for 7 Faculty/Staff Members



Welding Instructor



CVO Instructor



Machinist Instructor



Oil Field Operations Instructor



Career Navigator



Program Director



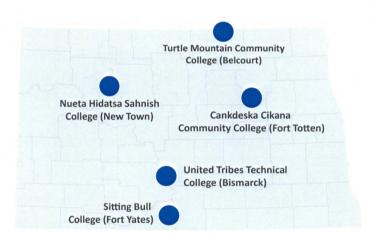
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Heavy Equipment Operator Instructor

# Tribal Colleges Boost State's Economy

In 2016, the five Tribal Colleges of North Dakota contributed over \$192 million to North Dakota's economy and employed over 800 workers.\*

\*Study conducted by North Dakota State University on behalf of the North Dakota Association of Tribal Colleges (2016).



## **Bottom Line Benefits**

North Dakota's Tribal College Grant Program provides graduates with opportunities to pursue careers that can enhance prosperity and fulfillment for themselves, their families and their communities.

"Prior to attending College, I was employed at various jobs and did not really know what to do with my life. After graduating from the welding program, I moved to Grand Forks and I'm currently working for Anderson Steel Erection Ironworkers. TMCC's staff was all very helpful and have provided me with the skills to not only better myself, but also better my family."

**Harrison - Welding Technology** 

"I enrolled at TMCC and graduated from the Welding program, immediately finding work as a welder in the oil fields. It was difficult for me to be away from my children and very costly for my family, so I re-enrolled at TMCC and graduated from the CVO program. Today, I work for a trucking company and I'm proud to say I have a take-home salary of \$1,000/week."

Jason - Commercial Vehicle Operations

# Senate Bill 2144 - 65th North Dakota Legislative Assembly Senate Appropriations Committee – Senator Ray Holmberg, Chair Thursday, January 26, 2017 - Harvest Room

Testimony Provided By: Sheila Trottier, CTE Director, Turtle Mountain Community College

Good morning! Chairman Holmberg and members of the Senate Appropriations Committee. My name is Sheila Trottier and I'm the Career & Technical Education Director at Turtle Mountain Community College.

The first year of the Tribal College Grant was in many ways a developmental year, with curriculum development, purchasing of equipment, interviewing and hiring new staff, and implementation of specific grant activities. The grant gave TMCC an opportunity to increase capacity including infrastructure, program offerings, and to build a foundation to increase the attainment of industry-recognized certificates and degrees with a focus on stackable credentials, where students attain a sequence of credentials that can be accumulated overtime and used to move along or up a career ladder. The grant provided for program development, enhancement, and expansion. An intensive/customized student support systems - from intake to job placement was implemented through career navigation. Additionally, funding played an important role in strengthening partnerships with business and industry resulting in increased programmatic alignment to good jobs and increased opportunities for students to find and secure employment, and retain those jobs.

Through the grant, we were able to enhance curriculum and technology available to students. The enhancement of the Commercial Vehicle Operations program allowed students to earn a basic CDL certificate as well as one in Commercial Equipment Operations and by adding the two certificates, students were able to complete two concentrations during a nine-month period enabling them to play various roles on highway construction projects.

The grant enhanced and expanded the Welding Technology program by adding three new welding booths, two welding simulators and a new ventilation system in the shop. The program expanded the curriculum by offering additional units of instruction and shop hours in Shield Metal Arc Welding (SMAW), Gas Metal Arc Welding (MIG) and Oxy/Acetylene Gas Welding & Cutting and the option to advance into the 16-week Advanced Pipe Welding certificate. These changes provided an increase in students' employability and skill set.

The development of the Oil Field Operations program, unique to the state, and meeting the workforce training needs in the Bakken, offered hands-on training using the IVES industry credential with an emphasis in safety. The program offered industry certification in rough terrain equipment -50 hours of hands-on, OSHA – 10 Hour, Hydrogen Sulfide H2S Gas certification, Skid Steer Certification (IVES) 30 hours of hands-on-operating, pumps gauges and valves certification. Another new program, the Basic Machining program provided certification in measure and layout, instrumentation reading and calibration, Lathe and Milling Operations and incorporated other industry certifications. Both programs are 16-week certificate programs with the ability to combine both programs and earn a 9-month certificate.

In many ways the implementation of goals in this grant was new ground for TMCC. This was our first effort to obtain Higher Learning Commission's approval to offer accredited, 16-week certificate programs, which we did successfully. Along with HLC approval, TMCC applied for Title IV federal financial aid eligibility for each new certificate and approval was granted. TMCC also obtained approval by the North Dakota Department of Career & Technical.

In addition, businesses and employers played a significant role in the implementation and success of the programs by serving on advisory boards and attending face-to-face meetings. They provided input into the design and operation of programs by reviewing curriculum and equipment. They have also served as placement sites for internships and have hired our program graduates.

I recommend a "do pass" by this committee. Thank you very much and I will entertain any questions you might have at this time.

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Senate Bill 2144
65th North Dakota Legislative Assembly
Senate Appropriations Committee – Senator Ray Holmberg, Chair
Thursday, January 26, 2017 –Harvest Room
Testimony Provided By: Jerry Allery – Graduate, Turtle Mountain Community College

Good Morning! Chairman Holmberg and members of the Senate Appropriations Committee. My name is Jerry Allery and I am a graduate of the Commercial Driver's License (CDL) program at Turtle Mountain Community College.

Before deciding to enter the CDL program in the fall of 2013 I worked for years as a laborer – in construction and concrete, back breaking work. I worked various shifts for several companies over the years, sometimes employed full time but still temporary or seasonal. Other times I worked day labor jobs, working spot jobs and getting paid the same day. I shifted around with laborer work – wasn't ideal at the time. It didn't provide me with a reliable income source for my family. I had a wife and children and my wife and I had to make it work however we could with our work schedule and raising our kids. In earlier years I was a musician, playing in a band around the area in bars, definitely not the lifestyle for a family man, but I needed the income.

I was going through the hardest time of my life during this period. I was experiencing tremendous hardship. I was living away from my community and dealing with alcoholism and going through a divorce. I knew I needed a change, something needed to give so I would be able to live the life I knew I was capable of, but I was very depressed and didn't know where to turn. I decided to move back home to Belcourt and entered a treatment facility to get clean. After treatment, I got involved in our traditional Ojibwa ways, learning about and participating in Sundance, Sweat Lodges and other traditional cultural activities. Times were tough, especially the divorce, that was really tough. I felt that my new found sobriety and spirituality were steps in the right direction. As I matured and my kids got older, I realized I needed a serious career, I really wanted a real job where I felt my self-worth. At this time in my life I heard about the new, upcoming CDL program at TMCC and thought I'd give it a shot. I thought to myself "at least I won't have to shovel anymore- laborer work is hard on your body and I wasn't getting any younger". I knew that long-term formal education wasn't a great fit for me as I thought about what direction I wanted to take my life. I wanted to better myself, not only for me but mostly for my family. Something about the CDL program just fit my needs, as I come from a vocational working family – my mother was a welder. I was around heavy equipment my whole life with my grandpa doing that kind of work. The program was the right fit for me, and it was perfect timing.

I enrolled in the program in the fall of 2013. I'm going to be honest, while I was going through the program, I almost quit a couple times but I just hung in there. I even called trucking companies before I got my license trying to find employment but no one would actually hire me until I earned my Class A license. I knew my only option was to keep pushing through and complete the program. My hard work paid off in the end, I earned my Class A Driver's License as well as my 16-week certificate from TMCC. I was a go-getter, and as soon as I got my CDL I stared looking for work, even going to job sites when I wouldn't get call backs. I eventually got hired on. Not only did I earn my license while going through the program, I became OSHA certified as well as being trained on Skid Loader operation. The program allowed me to obtain certificates and credentials that helped me become more employable.

The first job I got was with Knife River Corporation, one of the largest construction materials and contracting companies in the United States. Most local trucking and construction companies won't hire inexperienced "green" drivers but they took a chance on me. My starting wage for my first driving job was \$31/hr. plus overtime. I was taking home about \$1900 per week. I have to say, the first few weeks of working out of town were very difficult. I didn't have a dime to my name but I was so happy that I had my first driving job, I would do anything to keep it. I had no money and couldn't afford a room, so I slept in my van near the jobsite; I put a mattress in the back and had water and little food. In fact, somedays in the beginning I didn't have food or water at all. Those were very rough days. I would work 13/hr days with no food or water. My boss heard about me sleeping in my vehicle and he respected my diligence and work ethic. He seemed to make an example of me- telling other workers; "This guy wants to work." It felt good to receive recognition and know that my hard work was paying off. After I received my first pay check, I was eventually able to rent a camper.

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Although I was grateful for the opportunity and very happy about my high wage, I had to leave my first job, I am a single father who is raising my son. While I was away working my son had to live with family and this situation became too stressful for both of us. I moved back to my hometown and was able to get hired through a local company since I had work experience now. I started working for Pinky's Aggregate based out of Rolette, ND. They were a good company and it was a big job close to home so it worked out great for me and my son. My wages there were \$27/hr. and I didn't have the added expense of living away from home. Many times I thought to myself, "this isn't going to be easy, its hard sometimes". There were times at Pinky's where we worked until December in freezing cold temperature and your gravel will freeze up. The gravel needs to be chipped away when it's frozen; this is very hard work. I remember one incident where a friend and mentor of mine, had a slight heart attack on the job. I've seen rollovers with the semis and other dangerous work hazards. There are things that make you wonder if you should be doing this. This type of work is not all peaches and cream but in the end it all pays off.

Working full time, utilizing my CDL, and securing pretty regular employment has made such a difference in my family's life. It just felt so unreal, I finally have a life, and one I am proud of where I was receiving a check every week. I started buying my kids things they always wished they could have, such as a \$500 Xbox, \$700 phone and all the fancy clothes. I never got to give my kids anything like that through the years. The feeling was amazing, to be able to give my kids all the nice things children have these days.

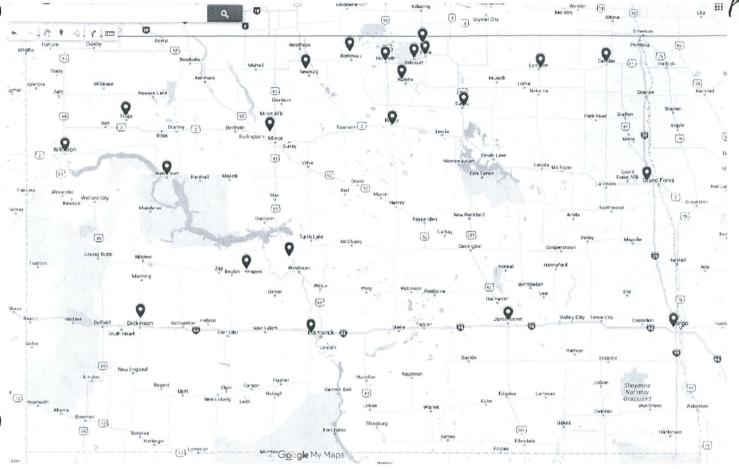
Unfortunately, a lot of driving jobs in the area are seasonal, and I have down time in the winter months. But as long as I have my own home, a decent running vehicle and my kids are cared for I feel content. I've raised my older children to graduate and go off to college, staying away from alcohol and drugs. As long as my kids are happy I know I've done my job on this earth. I have since earned my Class B Passenger endorsement license and I am substitute bus driver for our local schools. In the spring I will go back to work as a truck driver.

I always tell people who had the same struggles I had in life, "you have to do the work, and want to make the difference". My belief is, first and foremost, have the Lord in your heart. On the job, I would say a little prayer in my mind to help me get through the day. You do feel like giving up a lot of times but you we all have to just keep going and don't give up. The truth is, even when days are tiring and problems come up you still have to keep working and living. My mom always said, working is good for your soul, and now I know what she meant by that. TMCC's CDL program helped take me from one place to the next, it was definitely life changing.

Thank you for listening to my testimony.

#### Turtle Mountain Community College Tribal State Grant Job Placement

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Sund Manufacturing 460 Co Rd 20, Newburg, ND 58762 701-272-6161

Dan Polan Machine Inc. 8056 36th St SE Jamestown ND 701-252-9353

Anderson Steel Erection Ironworkers 214 Cleo Ct Grand Forks, ND 58201 (701) 775-7079

Keplins Construction 4043 BIA Rd 6 Belcourt, ND (701) 477-3102 Watco Companies, LLC
315 W 3rd St.
Pittsburg KS, 66762 (Main Office)
Tioga ND

Rugby Manufacturing 515 1st St NE, Rugby, ND 58368 (701) 776-5722

<u>Ironworkers Union local 512</u> 2901 Twin City Dr # 104, Mandan, ND 58554

UA Plumbers & Pipefitters Union Local 300 2101 Great Northern Dr, Fargo, ND 58012 Wilbur Ellis 4th St NE Rolla, ND 58367 (701) 477-5145

#### Turtle Mountain Community College Tribal State Grant Job Placement

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Mayo Construction 13960 ND-5, Cavalier ND 58220

Swift Transportation 2200 South 75th Avenue Phoenix, AZ 85043 Fargo ND

Gjesdal Harvesting 10349 Highway 5 Langdon ND (701) 215-1167

North Central Grain 108 State St Rolette, ND (701) 246-3251

Jades Trucking 802 Spruce Ct Cando, ND (701) 303-0022

Sonny & Sons 4201 BIA Road 6 Belcourt, ND 701-477-2372

King Oil Services 122 5th St North New Town, ND (701) 627-3582 Red Eye Concrete
5120 Highway 2 E Lot 2
Minot ND
(701) 566-5347 ext. 1249

Harris Oil 9807 BIA Rd 7 Belcourt, ND (701) 477-8500

Belcourt School System 1330 Braves Blvd Belcourt ND 701-477-6471

<u>Dunseith School System</u> 310 3rd Ave SW Dunseith ND 701-244-5249

St John School System 400 Foussard Ave St. John, ND 701-477-5651

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## TURTLE MOUNTAIN COMMUNITY COLLEGE TRIBAL COLLEGE GRANT

#### Commercial Vehicle Operations – 16 Week Certificate

- Permit
- Class "A" Commercial Driver's License
- Hydrogen Sulfide H2S Gas certification
- Occupational Safety and Health Administration (OSHA) 10 Hour
- Defensive Driving Cert (DDC4)
- Skid Steer Certification (IVES)
- 20 30 hours of hands-on simulated driving
- 40 75 hours of road trip behind the wheel miles (competency based)
- 1,000-mile road trip real life experience city, highway, trip planning, mountain driving, and students meet with industry leaders/partners.

#### **Faculty Experience and Qualifications:**

Edwin Acosta, Commercial Vehicle Operations Instructor

- o 11 years of experience driving
- o 8 years of military service Missile Maintenance Tech.
- o DDC4 Certified Instructor ND safety council
- o NDSBCTE Certified Instructor
- o 2 year A.A.S. Degree
- o OSHA 10 Hour
- o Hydrogen Sulfide H2S Gas certification
- Endorsement Certified Tanker Vehicles, doubles and triples, school bus, & passenger
- o TMCC Teaching Experience 4 years

#### Craig Johnson, Commercial Vehicle Operations Instructor

- o 20 years of experience
- o 1.5 M logged miles
- o DDC4 Certified Instructor ND safety council
- NDSBCTE Certified Instructor
- o OSHA
- o Hydrogen Sulfide H2S Gas certification
- Endorsement Certified tanker vehicles, doubles and triples, school bus, & passenger
- o TMCC Teaching Experience 2 years

#### **Heavy Equipment Operator**

- Orientation of the Trade (benefits of trade)
- Intro to Heavy Equipment Operation Theory
- Simulated Learning (4 simulators) 10 hours/station
  - o Motor graders
  - o Dozer
  - o Track hoe
  - o Front End loader
- 50 hours/equipment of hands-on learning at job site for each
  - o Scraper
  - o Bulldozer
  - o rubber tire backhoe
  - o motor grader,
- OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Flagger Certification
  - \*\* MOU with TM Transportation Department (shared cost). Hands on project Build approaches for TMTD

#### **Faculty Experience and Qualifications:**

Albert Parisien, CVO/HEO Instructor

- o 47 years of work experience as a HE Operator
- o Certified HEO from UTTC
- o 18 years BIA (Head of the Road Department) (Civil Engineer Tech)
  - o Supervised 4-10
  - o Responsible for 154 miles of road to maintain
- o Worked for private contractors as a HEO
- o OSHA 10 Hour
- o Hydrogen Sulfide H2S Gas certification

#### Kurt Fleury – Heavy Equipment Operator Instructor

- o 41 years of work experience as a Heavy Equipment Operator with BIA
  - o 10 years of experience as a scraper operator
  - o 31 years of experience as a road maintenance worker (Responsible for 70 miles of road maintenance)
- o Class "A" Driver's License (CDL)
- o OSHA 10 Hour
- o Hydrogen Sulfide H2S Gas certification
- o Several other certifications while employed by the BIA

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#### Welding Technology Program

- Shield Metal Arc Welding (SMAW)
- Gas Metal Arc Welding (MIG)
- Oxy/acetylene gas welding & Cutting
- Fabrication Methods & Materials
- Gas Tungsten Welding (GTAW)
- Metallurgy
- Blueprint Symbols for Welders
- Blueprint Reading
- OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Students are required to complete 60 of Internship hours
- TMCC Plate Bend Test All graduates are required to be certified by ND State Welding Testing Services of Minot.

#### Pipe Welding

- Pipe Fabrication & Welding
- Pipe Fitting and welding
- Community service projects

#### **Faculty Experience and Qualifications:**

Curtis Poitra – Full Time Welding Instructor

- o 39 years of work experience as a welding
- o Member of Plumbers and Pipe Fitters of ND Local 300 Union since 78
- o Retired Union member
- o On-the job training
- o OSHA 10 Hour
- o Hydrogen Sulfide H2S Gas certification
- NDSBCTE Certified Instructor
- o United Association Certification (weld anywhere)
- o Pipe Fitter Certification
- o General Foreman on various jobs

#### Carl Eller - Full Time Welding Instructor

- o 42 years of welding experience
- o 35 years of membership Plumbers and Pipe Fitters Local 300 of Minot
- o 12-month certificate from NDSCS
- o Certified as a pipe welder
- o St. Paul Tech Chrome and Stainless Certs.
- o Billings MT SMAW & Open Root pipe
- o OSHA
- o Certified Crane Signal Man
- o Hazmat
- o General Forman, supervisor
- NDSBCTE Certified Instructor
- o 9 years of higher education teaching experience

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#### **Basic Machinist**

- Blueprint Reading
- Intro to Machine Technology Theory
- Measure and layout
- Instrumentation reading and calibration
- Lathe and Milling Operations
- Threating
- Manufacturing small parts/projects using milling and treating
- This program is designed to develop skills to work in a small machine shop or enhance skills and transition into the welding and/or oil field operation program.

#### **Faculty Experience and Qualifications:**

Brian Birkland – Full-Time Machinist Instructor

- o 30 years 'of work experience as a Machinist in Manufacturing
- o CNC/NC Training
- o 11 month certificate in Machine Tool Technology
- o Certified in tool and die, jig and fixture training
- o Metallurgy
- o NDSBCTE Certified Instructor
- o 2 years of teaching experience

#### **Oil Field Operations**

- Rough terrain equipment (IVES) 50 hours of hands-on-operating required
- OSHA 10 Hour
- Hydrogen Sulfide H2S Gas certification
- Skid Steer Certification (IVES) 30 hours of hands-on-operating required
- First Aid/CPR Certification
- Work Platform and Ariel lifts (IVES) 16 hours of hands-on-operating required
- Theory
- Pumps gauges and valves certification

#### **Faculty Experience and Qualifications:**

Jeff Azure, Oil Field Operations Instructor

- o 37 of industry work experience
- o Certified IVES Instructor
- o HAZWOPER
- o OSHA 10 Hour
- o Hydrogen Sulfide H2S Gas certification
- o A.A.S. in Machine Tool Technologies
- Owner operator of Azure Tool and Die
- o Certified Management and Supervision
- o Specialized in CNC
- NDSBCTE Certified Instructor
- o 3 years teaching experience at TMCC

# SB-2144 65<sup>th</sup> North Dakota Legislative Assembly Industry, Business & Labor Committee, Rep. George J. Keiser, Chair March 14, 2017, Peace Garden Room

Testimony Provided by: Dr. Jim L. Davis, President, Turtle Mtn. Community College

Chairman Rep. George Keiser and members of the House of Representatives Industry, Business & Labor Committee, my name is Jim Davis, President of Turtle Mountain Community College (TMCC). Thank you for affording me the opportunity to provide written and oral testimony on SB-2144, a Bill for an Act and reenactment to sections 54-60.2-01 and 54-60.2.02 of the North Dakota Century Code, relating to workforce development for tribally controlled community colleges; and to provide an appropriation.

TMCC received state workforce development funding during the 2013 and 2015 biennium. Over those four years, TMCC received just over \$2.2 million which required an application to the ND Department of Commerce for their approval. TMCC was adamant from the very beginning that the use of these funds be focused on developing employment opportunities for individuals within our college community which included both American Indian and non-Indian students. The initial steps for utilizing these funds involved developing curriculum for these programs of study; advertising and hiring staff and instructors, obtaining regional and state accreditation; student recruitment; purchasing of materials, supplies, and equipment; assessing the success of programs; and providing written reports as required by the ND Department of Commerce.

TMCC created and implemented five career paths that meet the ND's workforce needs. These career paths include Commercial Vehicle Operators; Commercial Heavy Equipment Operators; Oil Field Operators with a Machinist component; Welding including Pipe Welding; and, Entrepreneurs.

As we proceeded with the implementation of these programs and our strong emphasis on achieving results, we began to see immediate successes in regard to the number of students served; number of graduates; and number of placements. As an example, through August 2016 (3 years), we served 352 students – our goal for the entire 4-year cycle is 217 students. Through August 2016 we graduated 191 students – our goal for the entire 4-year cycle is 162 students. Through August 2016 we placed into jobs 179 graduates – our goal for the entire 4-year cycle is 129 placements. Job placement has been in 22 cities and towns throughout North Dakota.

Through mid-October 2016, the return on investment (ROI) has been \$2.6 million, and by the time funding expires for this biennium, the ROI could very well exceed \$3.0 million. Much of the success we've had is reflected in the quality of our instructors and their tremendous commitment to their programs and their students.

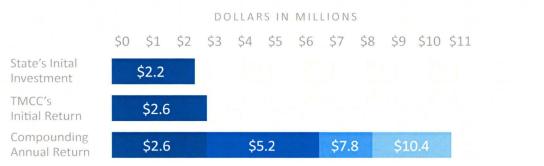
We utilize our Career and Technical Education Advisory Committee – our partners – to assist with feedback/input and continuous improvement. The Advisory Committee members are from industry, business & labor located at the tribal, regional, and state levels.

Through August 2016, and recognizing our successes yet to come, I believe that TMCC is very well positioned to qualify for another round of state funding that focuses on continued development for some programs and enhancement for others. TMCC has demonstrated its ability and capacity as a viable source for training individuals and helping to the meet the workforce demands in North Dakota.

I recommend a "do pass" by this Committee. Thank you and I'll entertain any questions you have.

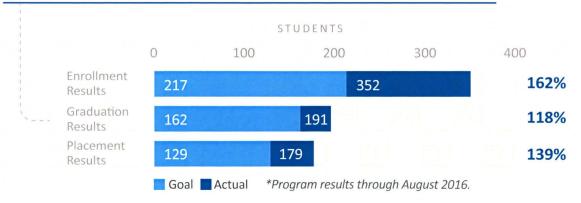
## ROI REPORT ON WORKFORCE TRAINING OUTCOMES

#### Tribal College Grant Program Reaps Positive Workforce Benefits\*



\$2.6
MILLION
COMPOUNDING
ANNUAL RETURN

#### **TMCC Workforce Training Grants: Additional ROI Benefits\***



#### **Mark of Distinction**

TMCC is among the most affordable community colleges in America. The college ranked 3rd in the nation among 821 community colleges for its cost and financing, which takes into account the cost of in-state tuition, availability of grants, cost per student and school spending efficiency. (WalletHub, 2016)



<sup>\*</sup>During the past two biennium (2013 & 2015), the State invested \$2.2 million in Turtle Mountain Community College (TMCC) Workforce Grants, which has resulted in over \$2.6 million in annual workforce earning. (Based on 64 full-time student placements earning an average income of \$20.12/hour)

#### North Dakota's Tribal College Grants

Created 5 New Career Paths to Meet the State's Workforce Needs



Commercial Vehicle Operators (CVO Program)



Heavy Equipment Operators



Oil Field Operators (with a Machinist Component)



Welders



Entrepreneurs

#### Provided Employment for 7 Faculty/Staff Members



Welding Instructor



CVO Instructor



Machinist Instructor



Oil Field Operations Instructor



Career Navigator



Program Director

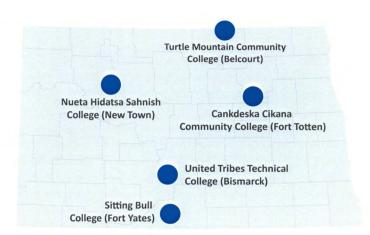


Heavy Equipment Operator Instructor

## Tribal Colleges Boost State's Economy

In 2016, the five Tribal Colleges of North Dakota contributed over \$192 million to North Dakota's economy and employed over 800 workers.\*

\*Study conducted by North Dakota State University on behalf of the North Dakota Association of Tribal Colleges (2016).



#### **Bottom Line Benefits**

North Dakota's Tribal College Grant Program provides graduates with opportunities to pursue careers that can enhance prosperity and fulfillment for themselves, their families and their communities.

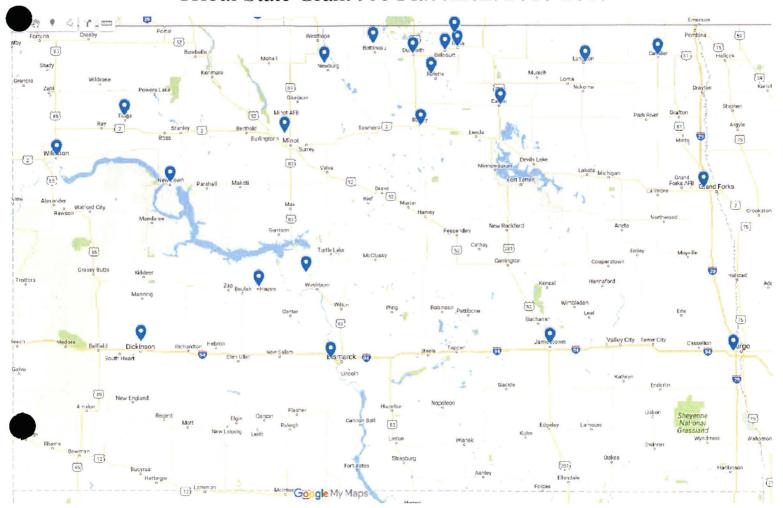
"Prior to attending College, I was employed at various jobs and did not really know what to do with my life. After graduating from the welding program, I moved to Grand Forks and I'm currently working for Anderson Steel Erection Ironworkers. TMCC's staff was all very helpful and have provided me with the skills to not only better myself, but also better my family."

**Harrison - Welding Technology** 

"I enrolled at TMCC and graduated from the Welding program, immediately finding work as a welder in the oil fields. It was difficult for me to be away from my children and very costly for my family, so I re-enrolled at TMCC and graduated from the CVO program. Today, I work for a trucking company and I'm proud to say I have a take-home salary of \$1,000/week."

Jason - Commercial Vehicle Operations

#### Turtle Mountain Community College Tribal State Grant Job Placement 2016-2017



Sund Manufacturing 460 Co Rd 20, Newburg, ND 58762 701-272-6161

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<u>Ironworkers Union local 512</u> 2901 Twin City Dr # 104, Mandan, ND 58554

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#### Turtle Mountain Community College Tribal State Grant Job Placement 2016-2017

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King Oil Services 122 5th St North New Town, ND (701) 627-3582

Red Eye Concrete 5120 Highway 2 E Lot 2 Minot ND (701) 566-5347 ext. 1249 J Mar Enterprises Inc. 1808 Hancock Dr Bismarck, ND 58501 701-222-4518

Halliburton S 36th St E Williston, ND 58801

Baker Huges 5086 139th Ave NW Williston, ND 58801 701-774-9200

Beaver Creek 9722 39th ST NW New Town, ND 58763 701-627-2550

Harris Oil 9807 BIA Rd 7 Belcourt, ND (701) 477-8500

Belcourt School System 1330 Braves Blvd Belcourt ND 701-477-6471

<u>Dunseith School System</u> 310 3rd Ave SW Dunseith ND 701-244-5249

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#### Senate Bill 2144) 65<sup>th</sup> North Dakota Legislative Assembly Industry, Business & Labor Committee, Rep. George J. Keiser, Chair March 14, 2017, Peace Garden Room

Testimony Provided By: Sheila Trottier, CTE Director, Turtle Mountain Community College

Good morning! Chairman Rep. George Keiser and members of the House of Representatives, Industry, Business and Labor Committee, my name is Sheila Trottier and I'm the Career & Technical Education Director at Turtle Mountain Community College.

The first year of the Tribal College Grant was in many ways a developmental year, with curriculum development, purchasing of equipment, interviewing and hiring new staff, and implementation of specific grant activities. The grant gave TMCC an opportunity to increase capacity including infrastructure, program offerings, and to build a foundation to increase the attainment of industry-recognized certificates and degrees with a focus on stackable credentials, where students attain a sequence of credentials that can be accumulated overtime and used to move along or up a career ladder. The grant provided for program development, enhancement, and expansion. An intensive/customized student support systems – from intake to job placement was implemented through career navigation. Additionally, funding played an important role in strengthening partnerships with business and industry resulting in increased programmatic alignment to good jobs and increased opportunities for students to find and secure employment, and retain those jobs.

Through the grant, we were able to enhance curriculum and technology available to students. The enhancement of the Commercial Vehicle Operations program allowed students to earn a basic CDL certificate as well as one in Commercial Equipment Operations and by adding the two certificates, students were able to complete two concentrations during a nine-month period enabling them to play various roles on highway construction projects.

The grant enhanced and expanded the Welding Technology program by adding three new welding booths, two welding simulators and a new ventilation system in the shop. The program expanded the curriculum by offering additional units of instruction and shop hours in Shield Metal Arc Welding (SMAW), Gas Metal Arc Welding (MIG) and Oxy/Acetylene Gas Welding & Cutting and the option to advance into the 16-week Advanced Pipe Welding certificate. These changes provided an increase in students' employability and skill set.

The development of the Oil Field Operations program, unique to the state, and meeting the workforce training needs in the Bakken, offered hands-on training using the IVES industry credential with an emphasis in safety. The program offered industry certification in rough terrain equipment -50 hours of hands-on, OSHA – 10 Hour, Hydrogen Sulfide H2S Gas certification, Skid Steer Certification (IVES) 30 hours of hands-on-operating, pumps gauges and valves certification. Another new program, the Basic Machining program provided certification in measure and layout, instrumentation reading and calibration, Lathe and Milling Operations and incorporated other industry certifications. Both programs are 16-week certificate programs with the ability to combine both programs and earn a 9-month certificate.

In many ways the implementation of goals in this grant was new ground for TMCC. This was our first effort to obtain Higher Learning Commission's approval to offer accredited, 16-week certificate programs, which we did successfully. Along with HLC approval, TMCC applied for Title IV federal financial aid eligibility for each new certificate and approval was granted. TMCC also obtained approval by the North Dakota Department of Career & Technical.

In addition, businesses and employers played a significant role in the implementation and success of the programs by serving on advisory boards and attending face-to-face meetings. They provided input into the design and operation of programs by reviewing curriculum and equipment. They have also served as placement sites for internships and have hired our program graduates.

I recommend a "do pass" by this committee. Thank you very much and I will entertain any questions you might have at this time.

# Senate Bill 2144 65<sup>th</sup> North Dakota Legislative Assembly Industry, Business & Labor Committee, Rep. George J. Keiser, Chair March 14, 2017, Peace Garden Room Testimony Provided By: Jerry Allery – Graduate, Turtle Mountain Community College

Good morning! Chairman Rep. George Keiser and members of the House of Representatives, Industry, Business and Labor Committee, my name is Jerry Allery and I am a graduate of the Commercial Driver's License (CDL) program at Turtle Mountain Community College.

Before deciding to enter the CDL program in the fall of 2013 I worked for years as a laborer – in construction and concrete, back breaking work. I worked various shifts for several companies over the years, sometimes employed full time but still temporary or seasonal. Other times I worked day labor jobs, working spot jobs and getting paid the same day. I shifted around with laborer work – wasn't ideal at the time. It didn't provide me with a reliable income source for my family. I had a wife and children and my wife and I had to make it work however we could with our work schedule and raising our kids. In earlier years I was a musician, playing in a band around the area in bars, definitely not the lifestyle for a family man, but I needed the income.

I was going through the hardest time of my life during this period. I was experiencing tremendous hardship. I was living away from my community and dealing with alcoholism and going through a divorce. I knew I needed a change, something needed to give so I would be able to live the life I knew I was capable of, but I was very depressed and didn't know where to turn. I decided to move back home to Belcourt and entered a treatment facility to get clean. After treatment, I got involved in our traditional Ojibwa ways, learning about and participating in Sundance, Sweat Lodges and other traditional cultural activities. Times were tough, especially the divorce, that was really tough. I felt that my new found sobriety and spirituality were steps in the right direction. As I matured and my kids got older, I realized I needed a serious career, I really wanted a real job where I felt my self-worth. At this time in my life I heard about the new, upcoming CDL program at TMCC and thought I'd give it a shot. I thought to myself "at least I won't have to shovel anymore- laborer work is hard on your body and I wasn't getting any younger". I knew that long-term formal education wasn't a great fit for me as I thought about what direction I wanted to take my life. I wanted to better myself, not only for me but mostly for my family. Something about the CDL program just fit my needs, as I come from a vocational working family - my mother was a welder. I was around heavy equipment my whole life with my grandpa doing that kind of work. The program was the right fit for me, and it was perfect timing.

I enrolled in the program in the fall of 2013. I'm going to be honest, while I was going through the program, I almost quit a couple times but I just hung in there. I even called trucking companies before I got my license trying to find employment but no one would actually hire me until I earned my Class A license. I knew my only option was to keep pushing through and complete the program. My hard work paid off in the end, I earned my Class A Driver's License as well as my 16-week certificate from TMCC. I was a gogetter, and as soon as I got my CDL I stared looking for work, even going to job sites when I wouldn't get call backs. I eventually got hired on. Not only did I earn my license while going through the program, I became OSHA certified as well as being trained on Skid Loader operation. The program allowed me to obtain certificates and credentials that helped me become more employable.

The first job I got was with Knife River Corporation, one of the largest construction materials and contracting companies in the United States. Most local trucking and construction companies won't hire inexperienced "green" drivers but they took a chance on me. My starting wage for my first driving job was \$31/hr. plus overtime. I was taking home about \$1900 per week. I have to say, the first few weeks of

working out of town were very difficult. I didn't have a dime to my name but I was so happy that I had my first driving job, I would do anything to keep it. I had no money and couldn't afford a room, so I slept in my van near the jobsite; I put a mattress in the back and had water and little food. In fact, somedays in the beginning I didn't have food or water at all. Those were very rough days. I would work 13/hr days with no food or water. My boss heard about me sleeping in my vehicle and he respected my diligence and work ethic. He seemed to make an example of me- telling other workers; "This guy wants to work." It felt good to receive recognition and know that my hard work was paying off. After I received my first pay check, I was eventually able to rent a camper.

Although I was grateful for the opportunity and very happy about my high wage, I had to leave my first job, I am a single father who is raising my son. While I was away working my son had to live with family and this situation became too stressful for both of us. I moved back to my hometown and was able to get hired through a local company since I had work experience now. I started working for Pinky's Aggregate based out of Rolette, ND. They were a good company and it was a big job close to home so it worked out great for me and my son. My wages there were \$27/hr. and I didn't have the added expense of living away from home. Many times I thought to myself, "this isn't going to be easy, its hard sometimes". There were times at Pinky's where we worked until December in freezing cold temperature and your gravel will freeze up. The gravel needs to be chipped away when it's frozen; this is very hard work. I remember one incident where a friend and mentor of mine, had a slight heart attack on the job. I've seen rollovers with the semis and other dangerous work hazards. There are things that make you wonder if you should be doing this. This type of work is not all peaches and cream but in the end it all pays off.

Working full time, utilizing my CDL, and securing pretty regular employment has made such a difference in my family's life. It just felt so unreal, I finally have a life, and one I am proud of where I was receiving a check every week. I started buying my kids things they always wished they could have, such as a \$500 Xbox, \$700 phone and all the fancy clothes. I never got to give my kids anything like that through the years. The feeling was amazing, to be able to give my kids all the nice things children have these days.

Unfortunately, a lot of driving jobs in the area are seasonal, and I have down time in the winter months. But as long as I have my own home, a decent running vehicle and my kids are cared for I feel content. I've raised my older children to graduate and go off to college, staying away from alcohol and drugs. As long as my kids are happy I know I've done my job on this earth. I have since earned my Class B Passenger endorsement license and I am substitute bus driver for our local schools. In the spring I will go back to work as a truck driver.

I always tell people who had the same struggles I had in life, "you have to do the work, and want to make the difference". My belief is, first and foremost, have the Lord in your heart. On the job, I would say a little prayer in my mind to help me get through the day. You do feel like giving up a lot of times but you we all have to just keep going and don't give up. The truth is, even when days are tiring and problems come up you still have to keep working and living. My mom always said, working is good for your soul, and now I know what she meant by that. TMCC's CDL program helped take me from one place to the next, it was definitely life changing.

Thank you for listening to my testimony.

#### Senate Bill 2144 65th North Dakota Legislative Assembly Industry, Business & Labor Committee, Rep. George J. Keiser, Chair March 14, 2017, Peace Garden Room

Testimony Provided By: Craig Johnson, CVO Instructor, Turtle Mountain Community College

Good morning! Chairman Rep. George Keiser and members of the House of Representatives, Industry, Business and Labor Committee, my name is Craig Johnson and I'm the CVO (Commercial Vehicle Operations) Instructor at Turtle Mountain Community College.

I have been employed at TMCC for a year and half. I have 20 years' experience in the Commercial Vehicle Operations field with over 1.5 million miles logged. I have traveled 49 of the 50 states and 4 Canadian Provinces. I am also a Certified Defensive Driving Course Instructor for the North Dakota Safety Council and Turtle Mountain Community College.

We are always working on ways to improve our CVO program with our industry leaders, like J-Mar Enterprise, Magnum Trucking of Fargo, Pinky's Aggregates or Rolette and North Central Grain of Bisbee. Along with our industry leaders, we have been adding more people from the industry to our advisory board to show and guide us on different aspects of the industry to better prepare our students for jobs after receiving their CDL.

Our class gets between 20-30 hours on the simulator before we go to the range and road. On the road our students get between 30-40 hours of range and road time (learning to back up and driving on the highway). We have recently implemented EDL's (electronic logging devices) in our curriculum to our students to meet the new EDL mandate from the FMCSA (Federal Motor Carrier's Safety Administration). Currently we are working on the new ELDT (Entry Level Driver Training) curriculum to meet this FMCSA requirement that will take effect February of 2020. With all of this training and knowledge that we show them, I feel that we put out highly qualified students for the future workforce in the commercial driving field.

Our CVO course at TMCC has been very successful in the past and present and will hopefully continue to be successful in the future. Our current success rate of graduates is 90-95%, with our best graduation rate coming from last summer semester, which was 100% with all students becoming employed immediately after receiving their CDL. With these success rates, we are hoping to contribute new drivers to the workforce to help with the shortage of CDL drivers in the state and country, which is at a staggering 250,000 drivers short nationally and that number is continuing to climb.

In closing, the summer of 2016 we started a 1000 mile road trip for our students to be on the road for two 14 hour days. On this trip, the students planned routes, kept log books, read maps, and learned to drive in major city traffic, practice backing at truck stops and at our industry leader's places of business and drive through the badlands and oil patch. This trip was designed to get the students out of their element and to experience 2 days in the life of a truck driver. The students that have experienced this say that it's really opened their eyes as to what it's like to be on the road. What I'm working on now is to really give the students a feel for the road, with the help of an industry partner (J-Mar Enterprise's) we will hopefully be pulling a trailer with actual freight on it. This way the students are able to work with a customer and properly secure a load at a dock. They also get a sense of what it's like to haul a loaded trailer down the open road. With all of this experience it's my goal to make the students prepared for their future.

I recommend a "do pass" by this committee. Thank you very much and I will entertain any questions you might have at this time.

AH. 1 SB 2144 3.23.17



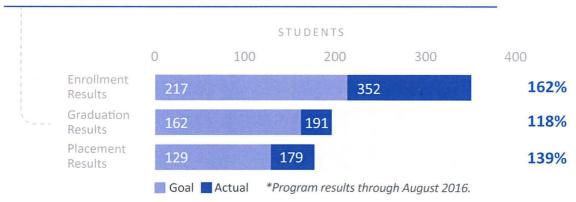
# ROI REPORT ON WORKFORCE TRAINING OUTCOMES

#### Tribal College Grant Program Reaps Positive Workforce Benefits\*



\$2.6
MILLION
COMPOUNDING
ANNUAL RETURN

#### TMCC Workforce Training Grants: Additional ROI Benefits\*



#### Mark of Distinction

TMCC is among the most affordable community colleges in America. The college ranked 3rd in the nation among 821 community colleges for its cost and financing, which takes into account the cost of in-state tuition, availability of grants, cost per student and school spending efficiency. (WalletHub, 2016)



<sup>\*</sup>During the past two biennium (2013 & 2015), the State invested \$2.2 million in Turtle Mountain Community College (TMCC) Workforce Grants, which has resulted in over \$2.6 million in annual workforce earning. (Based on 64 full-time student placements earning an average income of \$20.12/hour)

#### North Dakota's Tribal College Grants

Created 5 New Career Paths to Meet the State's Workforce Needs



Commercial Vehicle Operators (CVO Program)



Heavy Equipment



Oil Field Operators (with a Machinist Component)



Welders



Entrepreneurs

#### Provided Employment for 7 Faculty/Staff Members



Welding Instructor



CVO Instructor



Machinist Instructor



Oil Field Operations Instructor



Career Navigator



Program Director

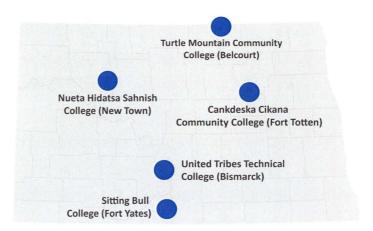


Heavy Equipment Operator Instructor

## Tribal Colleges Boost State's Economy

In 2016, the five Tribal Colleges of North Dakota contributed over \$192 million to North Dakota's economy and employed over 800 workers.\*

\*Study conducted by North Dakota State University on behalf of the North Dakota Association of Tribal Colleges (2016).



#### **Bottom Line Benefits**

North Dakota's Tribal College Grant Program provides graduates with opportunities to pursue careers that can enhance prosperity and fulfillment for themselves, their families and their communities.

"Prior to attending College, I was employed at various jobs and did not really know what to do with my life. After graduating from the welding program, I moved to Grand Forks and I'm currently working for Anderson Steel Erection Ironworkers. TMCC's staff was all very helpful and have provided me with the skills to not only better myself, but also better my family."

Harrison - Welding Technology

"I enrolled at TMCC and graduated from the Welding program, immediately finding work as a welder in the oil fields. It was difficult for me to be away from my children and very costly for my family, so I re-enrolled at TMCC and graduated from the CVO program. Today, I work for a trucking company and I'm proud to say I have a take-home salary of \$1,000/week."

Jason - Commercial Vehicle Operations



TRIBAL COLLEGE WORKFORCE GRANTS - AN INVESTMENT WITH COMPOUNDING RETURNS



# TMCC WORKFORCE TRAINING GRADUATES EMPLOYED STATEWIDE

North Dakota's Tribal College State Grant Program provides TMCC graduates with opportunities to build a career and find employment throughout the State.

#### **Companies Employing TMCC Graduates**

Anderson Steel
Baker Hughes
Beaver Creek, LLC
Belcourt School System
Dan Polan Machine
Dunseith School System
Halliburton
Harris Oil
Keplin's Construction
Ironworkers Union
Jade's Trucking
J Mar Enterprises

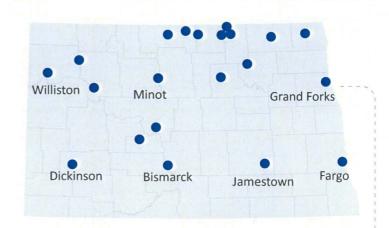
King Oil Services
Mayo Construction
North Central Grain
Rugby Manufacturing
Red Eye Concrete
Sonny & Sons
St. John's School System
Sund Manufacturing
Swift Transportation
UA Plumbers & Pipefitters
Watco Companies
Wilbur Ellis

#### **North Dakota Indians: Facts & Figures**

- American Indians are the largest minority population in North Dakota – 5.25% of the State's population (39,669)
- North Dakota's Native population increased by 9.6% between 2010-2015
- Growth for Native students in ND K-12 schools went from 8% to 13% (1990-2010)

Category	20	16 Expenditures
Households	\$	35,878,000
Retail Trade	\$	8,678,000
Finance & Real Estate	\$	5,555,000
Professional Services	\$	5,486,000
All Other Sectors	\$	9,458,000
Indirect Contribution	\$	127,936,000
Total Impact	\$	192,991,000

## **Turtle Mountain Community College Tribal State Grant Job Picement 2016-2017**



## Tax Contributions of Native Americans in North Dakota Exceeds \$142 Million

Tax Source	2016 Taxes Paid
Personal Income Tax	\$ 3,759,922
Sales & Use Tax	\$ 23,829,680
Motor Fuels Tax	\$ 13,702,066
Corporate Tax	\$ 1,051,135
Property Tax	\$ 497,000
Oil Production Tax	\$ 99,560,453
Total Impact	\$ 142,400,256

(Study conducted by Al Nygard Consulting on behalf of NDATC, 2016.)

#### Tribal Colleges Employ Over 800 Workers North Dakota

0	200	400	600	800
181 Pa	rt-Time			
630 Ful	ll-Time			

#### Tribal Colleges Educate Over 1,700 Students per Semester

0	250	500	1,000	1,500
362 p	art-Time			
1,367	Full-Time			

85% of tribal college graduates stay in North Dakota.

# TMCC GRADUATE SUCCESS STORIES





#### Lane Belgarde, Welding Technology Graduate

"My name is Lane Belgarde, a graduate of Turtle Mountain Community College through the 9 month Welding Technology program. The main reason I chose TMCC was because it was close to home and the welding program was the right fit for my educational needs. After graduating from TMCC, I took a position with Watco Companies in Tioga ND as a Rail Car repairperson with a starting wage of \$30/hr., including the incentive of a raise when I passed my welding tests. Before I graduated with my welding certificate, I was going through a rough period in my life. Almost dropping out of the program due to bad decisions, TMCC gave me a second chance and I have not looked back since. Having a degree helps make your life easier because it shows people you can achieve set goals and are employable."



#### Harrison Counts, Welding Technology Graduate

"My name is Harrison Counts, and I graduated with my welding technology certificate from Turtle Mountain Community College. Prior to attending TMCC, I was employed at various jobs and did not really know what to do with my life. After graduating from the welding program, I moved to Grand Forks and am currently employed at Anderson Steel Erection Ironworkers, earning \$18.50/hr., including benefits. The main reason I attended TMCC was to have better employability and increase my wages. I would like to thank all the individuals that are involved in the CTE programs, as they are all so much help and have provided me with the ability to not only better myself, but also for the overall betterment of my family."



#### **Christopher Morin, Heavy Equipment Graduate**

"My name is Christopher Morin, and I completed the Heavy Equipment Program the summer of 2016. I was not working at the time and I knew I needed to earn a skill that would allow me to obtain steady employment. TMCC's HEO program was the right fit. While in this program, I recieved my North Dakota Flagger Certification, OSHA, and H25 Gas Certificate. During the program I learned to operate a motor grader, scraper, dozer, and loader. Getting a job with Gratech and using my training and job skills has given me confidence. I'm so grateful for the training I recieved, as it has opened up a world of opportunities for me and my family."



#### Cameron Gooden, CDL and Building Trades Graduate

"As a young man, I was searching for direction in my life. I decided to attend TMCC, which was a life changing decision for me. I successfully earned my A.A.S. in Building Trades as well as my 16-week CDL certificate and Class A License. I believe that TMCC helped me obtain my employment goals, as I am a successful truck driver earning a wage of \$27.10/hr. Without their help I would not be able to provide for my family. My advice is to follow your dreams and never give up. I wouldn't be where I am now if I hadn't made the decision to attend TMCC."

# ANALYSIS OF THE STUDENT LOAN TRUST FUND FOR THE 2015-17 AND 2017-19 BIENNIUMS (REFLECTING BOTH THE 1979 AND 1996 BOND RESOLUTIONS AND LEGISLATIVE ACTION THROUGH APRIL 10, 2017)

	2015-17 Biennium <sup>1</sup>		2017-19 Biennium <sup>1</sup>	
Beginning balance		\$34,671,256		\$17,431,512
Add estimated revenues Fund earnings (net)	\$325,000²		\$275,000²	
Total revenues		325,000		275,000
Total available		\$34,996,256		\$17,706,512
Less estimated expenditures and transfers Funding for veterinary medical education program (2015 HB 1003; 2017 SB 2003) Funding for North Dakota University System information technology services (2015 HB 1003; 2017 SB 2003) Transfer to the North Dakota Guarantee Agency Funding for addiction counseling internship loans (2015 HB 1049) Funding for Dickinson State University transition (2015 HB 1003) Funding for tribal college assistance grants (2015 HB 1003; 2017 SB 2003) Funding for tribal college workforce development grants (2015 HB 1018; 2017 SB 2144) Funding for higher education challenge grants (2015 HB 1151; 2017 SB 2036) Funding for dental loan repayment program (2015 HB 1004 and SB 2015; 2017 SB 2004) Funding for medical residency positions (2017 SB 2003)  Tetal estimated expenditures and transfers	\$465,307 <sup>3</sup> 539,437 <sup>5</sup> 10,000,000 <sup>7</sup> 200,000 <sup>8</sup> 2,000,000 <sup>1</sup> 500,000 <sup>10</sup> 1,000,000 <sup>11</sup> 2,500,000 <sup>12</sup> 360,000 <sup>13</sup>		\$465,307 <sup>4</sup> 539,437 <sup>6</sup> 500,000 <sup>10</sup> 500,000 <sup>11</sup> 360,000 <sup>13</sup> 200,000 <sup>14</sup> 11,806,856 <sup>15</sup>	\$14.271.COO
Total estimated expenditures and transfers		17,564,744		\$14,371,600
Estimated ending balance	l	\$17,431,512		\$3,334,912

<sup>1</sup>This analysis reflects the estimated revenues, expenditures, and ending balance for **both the 1979 and 1996 bond resolutions**. Prior to fiscal year 2012, permission was needed from the Ambac Assurance Corporation to use any assets from the 1996 bond resolution. There are no longer any bonds insured by the Ambac Assurance Corporation; however, there are outstanding bonds of \$1 million as of December 31, 2016. Debt service to bondholders has priority over all other transfers.

<sup>2</sup>The projected income for the 2015-17 and 2017-19 bienniums is based on interest rates as of December 31, 2016, and is net of the Industrial Commission and trustee expenses.

<sup>3</sup>The 2015 Legislative Assembly provided \$465,307 of funding from the student loan trust fund for the Kansas State University veterinary medical education program. This represents the same level of funding as provided in the 2013-15 biennium.

<sup>4</sup>Senate Bill No. 2003 (2017) includes \$465,307 of funding from the student loan trust fund for the Kansas State University veterinary medical education program. This represents the same level of funding as provided in the 2015-17 biennium.

<sup>5</sup>The 2015 Legislative Assembly provided \$539,437 of funding from the student loan trust fund for the University System information technology services pool for ConnectND positions within the University System. This represents the same level of funding as provided in the 2013-15 biennium.

<sup>6</sup>Senate Bill No. 2003 (2017) includes \$539,437 of funding from the student loan trust fund for the University System information technology services pool for ConnectND positions within the University System. This represents the same level of funding as provided in the 2015-17 biennium.

- <sup>7</sup>Pursuant to the provisions of the 1996 bond resolution, the Industrial Commission authorized the transfer of \$10 million to the North Dakota Student Loan Guarantee Agency in September 2016 to maintain the reserve requirements and eliminate loan fees for alternative student loan guarantees relating primarily to DEAL One loans.
- <sup>8</sup>The 2015 Legislative Assembly approved House Bill No. 1049, which provides \$200,000 of funding from the student loan trust fund for addiction counselor internship loans.
- <sup>9</sup>The 2015 Legislative Assembly approved House Bill No. 1003, which includes \$2 million of one-time funding from the student loan trust fund for campus leadership transition needs at Dickinson State University.
- 10 The 2015 Legislative Assembly approved House Bill No. 1003, which includes \$500,000 of funding from the student loan trust fund for grants to tribal colleges to assist in costs associated with the enrollment of nonbeneficiary students. 2017 Senate Bill No. 2003 includes \$500,000 of funding from the student loan trust fund for grants to tribal colleges to assist in costs associated with the enrollment of nonbeneficiary students, the same amount as provided for the 2015-17 biennium.
- 11The 2015 Legislative Assembly approved House Bill No. 1018, which includes \$1 million of one-time funding from the student loan trust fund for tribal college workforce development grants. Senate Bill No. 2144 (2017) includes \$500,000 of one-time funding from the student loan trust fund for tribal college workforce development grants.
- <sup>12</sup>The 2015 Legislative Assembly approved House Bill No. 1151, which includes \$2.5 million of funding from the student loan trust fund for higher education challenge grants.
- <sup>13</sup>The 2015 Legislative Assembly approved House Bill No. 1004 and Senate Bill No. 2015, which include \$360,000 of funding from the student loan trust fund for the dental loan repayment program. Senate Bill No. 2004 (2017) includes \$360,000 of funding from the student loan trust fund for the dental loan repayment program, the same amount as provided for the 2015-17 biennium.
- <sup>14</sup>The 2017 Legislative Assembly approved Senate Bill No. 2244, which includes \$200,000 of funding from the student loan trust fund for a dual-credit courses pilot program.
- <sup>15</sup>Senate Bill No. 2003 (2017), as amended by the House Appropriations Committee, includes \$11,806,856 of funding from the student loan trust fund for residency positions at the University of North Dakota School of Medicine and Health Sciences.

#### **FUND HISTORY**

The 1971 Legislative Assembly authorized the Industrial Commission to acquire and hold all unpaid government-guaranteed or reinsured student loans and North Dakota student loans belonging to the state or any of its agencies. As a result, the student loan trust fund was created which enabled the state to sell tax-exempt bonds and use the proceeds for purchasing student loans made or acquired by the Bank of North Dakota.

The student loan trust fund does not make loans to students or service loans which it acquires. The Bank of North Dakota continues to service those loans which the student loan trust fund holds.

The student loan trust fund is comprised of funds held under two general bond resolutions. The first general bond resolution includes funds from bonds issued in 1979, 1988, 1989, 1992, and 2004. The second general bond resolution--referred to as the 1996 bond resolution--includes funds from bonds issued in 1996, 1997, 1998, and 2000. All bond issuances prior to 2004 were insured by Ambac Assurance Corporation. There are no longer any outstanding bonds insured by Ambac Assurance Corporation.

Under both of the bond resolutions, assets may only be used for:

- Purchase of student loans.
- Payment of debt service to bondholders.
- Providing financial assistance to the North Dakota Student Loan Guarantee Agency.

9



- Payment of any rebate liability to the federal government.
- · Administration of the student loan trust fund.

After all bonds in the 1979 and 1996 bond resolutions have matured, been redeemed or defeased and all expenses paid, and the resolutions closed, any remaining assets held under the bond resolutions would be transferred to the Industrial Commission for use at its discretion and as allowed by law. As of December 31, 2016, \$1 million in bonds remains outstanding. In order to use assets held under the 1979 and 1996 general bond resolutions for a purpose other than those stated in the general bond resolution, the administrator of the student loan trust fund must receive a certification from the trustee of the bond (the Bank of North Dakota) that sufficient reserves remain for bond payments and other related program costs. Prior to 2012, permission needed to be obtained from Ambac Assurance Corporation for any use of assets held in the 1996 general bond resolution. However, there are no longer any bonds insured by Ambac Assurance Corporation.

North Dakota Century Code Section 54-17-25 provides the Industrial Commission may issue subordinate or residual bonds when the commission determines that it is appropriate or expedient to do so.