

**State Board for Vocational and Technical Education
Senate Bill No. 2020, House Bill No. 1013**

	FTE Positions	General Fund	Other Funds	Total
2001-03 executive budget (Governor Schafer) (bills as introduced)	29.50	\$13,851,276	\$14,990,919	\$28,842,195
2001-03 legislative appropriations	28.50	14,353,955	14,887,742	29,241,697
Legislative increase (decrease) to executive budget	(1.00)	\$502,679	(\$103,177)	\$399,502
Legislative increase (decrease) to 1999-2001 appropriations	0.00	\$1,205,772	(\$857,867)	\$347,905
2001-03 Governor Hoeven's recommendation	28.50	\$13,828,761	\$14,887,783	\$28,716,544
Legislative increase (decrease) to Governor Hoeven's recommendation	0.00	\$525,194	(\$41)	\$525,153

GOVERNOR HOEVEN'S RECOMMENDATIONS

	FTE Positions	General Fund	Other Funds	Total
The Hoeven recommendation:				
Removed 1 FTE unclassified position for the Workforce Development Council, transferred in the Schafer budget from the Department of Economic Development and Finance. Governor Hoeven recommended that this position be included in the Department of Commerce (approved by the Legislative Assembly).	(1.00)	(\$103,138)	(\$103,136)	(\$206,274)
Removed the general fund increase in grants included in the Schafer executive budget recommendation to provide funding for the teacher compensation payment line item in House Bill No. 1013. (As passed by the Legislative Assembly, approximately \$318,000 of the teacher compensation payment line item in House Bill No. 1013 will be paid to school districts for vocational education-related positions.)		(394,377)		(394,377)
Added funding for grants to institutions of higher education for workforce training activities, providing total grants of \$1,350,000, \$475,000 more than the 1999-2001 biennium appropriation of \$875,000 (approved by the Legislative Assembly)		475,000		475,000
Total	(1.00)	(\$22,515)	(\$103,136)	(\$125,651)

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET (SCHAFFER) AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the State Board for Vocational and Technical Education is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015. In addition to the above appropriations, agencies may receive additional funding from the \$5 million appropriated in Section 1 of House Bill No. 1015 for special market equity adjustments for classified state employees whose salaries are the furthest from their respective salary range midpoints. The bill includes funding to provide a market equity adjustment of \$318.25 per month for the state director effective January 1, 2002.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Added funding for a grant to the career resource network to support publication of the <i>Outlook</i> magazine		\$40,000		\$40,000
Reduced general fund grants to vocational education programs by \$381,377, from \$9,915,306 to \$9,533,929, which is \$13,000 more than the amount appropriated for the 1999-2001 biennium. (The Hoeven recommendation included a reduction of \$394,377.)		(381,377)		(381,377)
Increased funding for workforce training grants by \$475,000, from \$875,000 to \$1,350,000, which is the amount recommended by Governor Hoeven and \$475,000 more than the 1999-2001 biennium appropriation of \$875,000		475,000		475,000
Removed Workforce Development Council FTE and related funding as recommended by Governor Hoeven. (This position and the related funding was included in the Department of Economic Development and Finance for the 1999-2001 biennium and is included in the Department of Commerce for the 2001-03 biennium.)	(1.00)	(103,138)	(\$103,136)	(206,274)
Decreased funding for a market equity increase for the state director by \$147, from \$6,838 to \$6,689. The executive budget included more funding than was necessary to provide for the \$318.25 per month increase.		(106)	(41)	(147)
Added funding for the adult farm management program, increasing the line item from \$525,760 to \$575,760, which is \$50,000 more than the 1999-2001 biennium appropriation of \$525,760		50,000		50,000

Added funding for a grant to ExplorNet, a private nonprofit entity, for the purpose of providing services to schools to assist in information technology technical education program development	422,300	422,300
Total	<u>(1.00)</u>	<u>\$502,679</u>
	<u>(\$103,177)</u>	<u>\$399,502</u>

FTE Changes

The Legislative Assembly reduced the Schafer executive recommendation by one FTE unclassified position for the Workforce Development Council. The Schafer budget recommendation transferred the position from the Department of Economic Development and Finance to the State Board for Vocational and Technical Education. The Hoeven budget recommendation and the Legislative Assembly included the position in the Department of Commerce.

Other Sections in Bill

Annual reports on workforce training - Section 2 was added providing that annual reports be prepared on workforce training and development activities and that the reports be presented to the House and Senate Appropriations Committees of the 58th Legislative Assembly.

Grant to ExplorNet - Section 3 was added providing that the \$422,300 appropriation for information technology education grants is to be used to contract with a nonprofit private entity for the purpose of providing assistance to schools in information technology program development.

Study of workforce training activities - Section 4 was added providing for a Legislative Council study of workforce training and development activities.

Regional funds for workforce training - Section 5 was added providing that a report be presented to the Budget Section during the 2001-02 interim regarding regional funds raised by the institutions assigned primary responsibility for workforce training.

Regional funds requirements - Section 6 was added creating a new section to NDCC Chapter 52-08 to require that prior to the distribution of workforce training funds for the second year of a biennium, each workforce training region must certify that at least 50 percent of the regional funds estimated to be raised during the biennium have been received or are pledged to be received. This section is effective July 1, 2003.

Related Legislation

Additional grants appropriation - House Bill No. 1013 (Section 18) provides a general fund appropriation of \$13,000 to the State Board for Vocational and Technical Education for grants to support vocational education programs for the 2001-03 biennium. This appropriation is included in the amounts shown above.