

**STATEMENT OF PURPOSE OF AMENDMENT:****Senate Bill No. 2020 - Funding Summary**

	<b>Executive Budget</b>	<b>Final Legislative Action</b>	<b>Comparison To Executive Budget</b>
Vocational Education			
Salaries and wages	\$3,066,412	\$2,946,750	(\$119,662)
Operating expenses	682,906	596,147	(86,759)
Equipment	60,000	60,000	
Grants	23,274,665	22,920,288	(354,377)
IT technical education grants		422,300	422,300
Adult farm management	525,760	575,760	50,000
Work force training	875,000	1,350,000	475,000
Postsecondary education voc. grants	357,452	357,452	
Total all funds	<u>\$28,842,195</u>	<u>\$29,228,697</u>	<u>\$386,502</u>
Less estimated income	<u>14,990,919</u>	<u>14,887,742</u>	<u>(103,177)</u>
General fund	<u>\$13,851,276</u>	<u>\$14,340,955</u>	<u>\$489,679</u>
FTE	29.50	28.50	(1.00)
Bill Total			
Total all funds	\$28,842,195	\$29,228,697	\$386,502
Less estimated income	14,990,919	14,887,742	(103,177)
General fund	<u>\$13,851,276</u>	<u>\$14,340,955</u>	<u>\$489,679</u>
FTE	29.50	28.50	(1.00)

**Senate Bill No. 2020 - Vocational Education - Senate Action**

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$3,066,412	(\$119,662)	\$2,946,750
Operating expenses	682,906	(86,759)	596,147
Equipment	60,000		60,000
Grants	23,274,665	(354,377)	22,920,288
Adult farm management	525,760		525,760
Work force training	875,000	475,000	1,350,000
Postsecondary education voc. grants	357,452		357,452
Total all funds	<u>\$28,842,195</u>	<u>(\$85,798)</u>	<u>\$28,756,397</u>
Less estimated income	<u>14,990,919</u>	<u>(103,177)</u>	<u>14,887,742</u>
General fund	<u>\$13,851,276</u>	<u>\$17,379</u>	<u>\$13,868,655</u>
FTE	29.50	(1.00)	28.50

**Department No. 270 - Vocational Education - Detail of Senate Changes**

	<b>Add Funding for a Grant to the Career Resource Network<sup>1</sup></b>	<b>Reduce Grants for Vocational Education Programs<sup>2</sup></b>	<b>Increase Funding for Workforce Training Grants<sup>3</sup></b>	<b>Remove Workforce Development Council FTE and Related Expenses<sup>4</sup></b>	<b>Adjust Market Equity Salary Increase<sup>5</sup></b>	<b>Total Senate Changes</b>
Salaries and wages				(\$119,515)	(\$147)	(\$119,662)
Operating expenses				(86,759)		(86,759)
Equipment						
Grants	40,000	(394,377)				(354,377)
Adult farm management						
Work force training			475,000			475,000
Postsecondary education voc. grants						
<b>Total all funds</b>	<b>\$40,000</b>	<b>(\$394,377)</b>	<b>\$475,000</b>	<b>(\$206,274)</b>	<b>(\$147)</b>	<b>(\$85,798)</b>
Less estimated income	0	0	0	(103,136)	(41)	(103,177)
<b>General fund</b>	<b>\$40,000</b>	<b>(\$394,377)</b>	<b>\$475,000</b>	<b>(\$103,138)</b>	<b>(\$106)</b>	<b>\$17,379</b>
FTE	0.00	0.00	0.00	(1.00)	0.00	(1.00)

<sup>1</sup> Funding is provided for a grant to the North Dakota Career Resource Network to support the publication of the "Outlook" magazine.

<sup>2</sup> Funding for general fund grants to vocational technical education programs is reduced by \$394,377, from \$9,915,306 to \$9,520,929. The \$9,520,929 amount is the same as the amount appropriated for the 1999-2001 biennium. This change is included in the Hoeven budget recommendation to reflect teacher FTE payments anticipated to be received by school districts for vocational education teachers under the proposed Hoeven FTE payment program.

<sup>3</sup> Funding for workforce training grants is increased by \$475,000, from \$875,000 to \$1,350,000. The 1999 Legislative Assembly appropriated \$475,000 for these grants, which are distributed by the agency to institutions of higher education to support the workforce training initiative. This change is included in the Hoeven budget recommendation.

<sup>4</sup> One FTE position and related funding for the Workforce Development Council is removed with the anticipation that the funding will be included in the budget for the proposed Department of Commerce. This change is included in the Hoeven budget recommendation.

<sup>5</sup> The amount provided for a market equity salary increase for the state director is reduced by \$147, from \$6,838 to \$6,689. The amount included in bill will provide for a monthly increase of \$318 per month for the last 18 months of the biennium.

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This amendment also adds Section 2, which provides that state work force training grants for the second year of the biennium can only be distributed after the institutions of higher education have raised at least 75 percent of the local funds anticipated to be raised in each region during the 2001-03 biennium. Any funds not distributed for work force training may be distributed by the State Board for Vocational and Technical Education for grants to vocational and technical education programs.

**Senate Bill No. 2020 - Vocational Education - House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$3,066,412	\$2,946,750		\$2,946,750
Operating expenses	682,906	596,147		596,147
Equipment	60,000	60,000		60,000
Grants	23,274,665	22,920,288		22,920,288
IT technical education grants			422,300	422,300
Adult farm management	525,760	525,760		525,760
Work force training	875,000	1,350,000		1,350,000
Postsecondary education voc. grants	357,452	357,452		357,452
Total all funds	<u>\$28,842,195</u>	<u>\$28,756,397</u>	<u>\$422,300</u>	<u>\$29,178,697</u>
Less estimated income	<u>14,990,919</u>	<u>14,887,742</u>	<u>0</u>	<u>14,887,742</u>
General fund	<u>\$13,851,276</u>	<u>\$13,868,655</u>	<u>\$422,300</u>	<u>\$14,290,955</u>
FTE	29.50	28.50	0.00	28.50

**Department No. 270 - Vocational Education - Detail of House Changes**

	<b>Add Funding for Grant to ExplorNet<sup>1</sup></b>	<b>Total House Changes</b>
Salaries and wages		
Operating expenses		
Equipment		
Grants		
IT technical education grants	422,300	422,300
Adult farm management		
Work force training		
Postsecondary education voc. grants		
Total all funds	<u>\$422,300</u>	<u>\$422,300</u>
Less estimated income	<u>0</u>	<u>0</u>
General fund	<u>\$422,300</u>	<u>\$422,300</u>
FTE	0.00	0.00

<sup>1</sup> The grants line item is increased by \$422,300 for a grant to ExplorNet (a 501(c)(3) nonprofit corporation) for the purpose of providing services to schools to assist in information technology technical education program development.

This amendment removes Section 2 of the reengrossed bill, which required that prior to the distribution of fiscal year 2003 workforce training grants, each workforce training region certify that at least 75 percent of the regional funds estimated to be raised during the 2001-03 biennium were received or were pledged to be received.

This amendment adds a new Section 2, which requires the Workforce Development Council to prepare an annual report on workforce training and development activities offered through various state entities and to present that report to the Appropriations Committees of the Fifty-eighth Legislative Assembly.

This amendment adds Section 3, which provides that the \$422,300 amount added for information technology education grants is to be used to provide a grant to a nonprofit private entity to provide assistance to schools in information technology technical education program development.

This amendment adds Section 4, which directs the Legislative Council to consider studying the feasibility of consolidating in a single state agency the funding and administration of workforce training and development programs.

#### Senate Bill No. 2020 - Vocational Education - Conference Committee Action

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>Conf. Com. Changes</b>	<b>Conf. Com. Version</b>	<b>House Version</b>	<b>Comparison to House</b>
Salaries and wages	\$3,066,412	\$2,946,750		\$2,946,750	\$2,946,750	
Operating expenses	682,906	596,147		596,147	596,147	
Equipment	60,000	60,000		60,000	60,000	
Grants	23,274,665	22,920,288		22,920,288	22,920,288	
IT technical education grants			422,300	422,300	422,300	
Adult farm management	525,760	525,760	50,000	575,760	525,760	50,000
Work force training	875,000	1,350,000		1,350,000	1,350,000	
Postsecondary education voc. grants	357,452	357,452		357,452	357,452	
Total all funds	\$28,842,195	\$28,756,397	\$472,300	\$29,228,697	\$29,178,697	\$50,000
Less estimated income	14,990,919	14,887,742	0	14,887,742	14,887,742	0
General fund	\$13,851,276	\$13,868,655	\$472,300	\$14,340,955	\$14,290,955	\$50,000
FTE	29.50	28.50	0.00	28.50	28.50	0.00

#### Department No. 270 - Vocational Education - Detail of Conference Committee Changes

	<b>Add Funding for Adult Farm Management Programs</b>	<b>Add Funding for Grant to ExplorNet<sup>1</sup></b>	<b>Total Conference Committee Changes</b>
Salaries and wages			
Operating expenses			
Equipment			
Grants			
IT technical education grants		422,300	422,300
Adult farm management	50,000		50,000
Work force training			
Postsecondary education voc. grants			
Total all funds	\$50,000	\$422,300	\$472,300
Less estimated income	0	0	0
General fund	\$50,000	\$422,300	\$472,300
FTE	0.00	0.00	0.00

<sup>1</sup> An information technology technical education program development line item of \$422,300 is added for a grant to ExplorNet (a 501(c)(3) nonprofit corporation) for the purpose of providing services to schools to assist in information technology technical education program development.

This amendment adds the following sections:

- Section 2, similar to the section added by the House, requiring an annual report to be prepared on workforce training and development activities and that the annual reports be presented to the House and Senate Appropriations Committees of the 58th Legislative Assembly. References in the House section to the Workforce Development Council are changed to the Division of Workforce Development of the Department of Commerce.

- Section 3, similar to the section added by the House, requiring the \$422,300 added for information technology education grants to be used to provide a grant to a nonprofit private entity for the purpose of providing assistance to schools in information technology program development. A sentence is added to the House section referencing the partnership agreement entered into between the State Board for Vocational and Technical Education and ExplorNet.
- Section 4, which expands the Legislative Council study proposed by the House relating to workforce training and development activities.
- Section 5, which requires a report to the Budget Section during the 2001-02 interim regarding regional funds raised by the institutions assigned primary responsibility for workforce training.
- Section 6, which replaces Section 2 of the reengrossed bill and creates a new section to North Dakota Century Code Chapter 52-08, requiring 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 (compared to 75 percent in the Senate version) 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.