STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1019 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Dept. of Career and Technical Education			
Salaries and wages	$4,699,975	$4,812,765	$112,790
Operating expenses	1,240,589	2,357,796	1,117,207
Grants	30,106,356	9,207,349	(20,899,007)
Grants - Postsecondary	296,207	256,982	(39,225)
Adult farm management	579,822	1,894,249	1,314,427
Workforce training	2,000,000	2,000,000	
Educational Technology Council			
Grants - Secondary		24,587,780	24,587,780
Center for Distance Education		9,351,188	9,351,188
Marketplace for Kids		300,000	300,000
Total all funds	$38,922,949	$54,768,109	$15,845,160
Less estimated income	9,616,666	14,703,121	5,086,455
General fund	$29,306,283	$40,064,988	$10,758,705
FTE	24.50	52.30	27.80
Bill total			
Total all funds	$38,922,949	$54,768,109	$15,845,160
Less estimated income	9,616,666	14,703,121	5,086,455
General fund	$29,306,283	$40,064,988	$10,758,705
FTE	24.50	52.30	27.80

House Bill No. 1019 - Dept. of Career and Technical Education - House Action

	Base Budget	House Changes	House Version
Salaries and wages	$4,699,975	$93,343	$4,793,318
Operating expenses	1,240,589	1,075,000	2,315,589
Grants	30,106,356	(21,041,214)	9,065,142
Grants - Postsecondary	296,207	45,189	341,396
Adult farm management	579,822	1,214,420	1,794,242
Workforce training	2,000,000		2,000,000
Educational Technology Council		770,978	770,978
Grants - Secondary		22,537,780	22,537,780
Center for Distance Education		8,994,167	8,994,167
Marketplace for Kids		300,000	300,000
Total all funds	$38,922,949	$13,989,663	$52,912,612
Less estimated income	9,616,666	5,586,455	15,203,121
General fund	$29,306,283	$8,403,208	$37,709,491
FTE	24.50	28.30	52.80

Department 270 - Dept. of Career and Technical Education - Detail of House Changes

	Adjusts Funding for Base Payroll Changes[1]	Adds Funding for Salary and Benefit Increases[2]	Removes 1 FTE Assistant Program Supervisor Position[3]	Transfers the Center for Distance Education[4]	Removes 1 FTE Center for Distance Education Position[5]	Transfers the Educational Technology Council[6]
Salaries and wages	$32,673	$220,407	($159,737)			
Operating expenses						
Grants						
Grants - Postsecondary						
Adult farm management						
Workforce training						
Educational Technology Council		5,856				$765,122
Grants - Secondary						
Center for Distance Education		248,110		$8,850,000	($103,943)	
Marketplace for Kids						
Total all funds	$32,673	$474,373	($159,737)	$8,850,000	($103,943)	$765,122
Less estimated income	36,455	0	0	3,050,000	0	500,000
General fund	($3,782)	$474,373	($159,737)	$5,800,000	($103,943)	$265,122
FTE	0.00	0.00	(1.00)	29.80	(1.00)	0.50

	Adjusts Base Level Funding[7]	Adds Funding for Anticipated Federal Funds Increases[8]	Line Item Transfers[9]	Adds Funding for Grants to School Districts and Area Centers[10]	Adds Funding for the Marketplace for Kids Program[11]	Total House Changes
Salaries and wages						$93,343
Operating expenses		$400,000	$675,000			1,075,000
Grants	($220,000)	1,600,000	(22,421,214)			(21,041,214)
Grants - Postsecondary	(25,818)		71,007			45,189
Adult farm management	(350,007)		1,564,427			1,214,420
Workforce training						
Educational Technology Council						770,978
Grants - Secondary			20,110,780	$2,427,000		22,537,780
Center for Distance Education						8,994,167
Marketplace for Kids					$300,000	300,000
Total all funds	($595,825)	$2,000,000	$0	$2,427,000	$300,000	$13,989,663
Less estimated income	0	2,000,000	0	0	0	5,586,455
General fund	($595,825)	$0	$0	$2,427,000	$300,000	$8,403,208
FTE	0.00	0.00	0.00	0.00	0.00	28.30

[1] Funding is adjusted for base payroll changes.

[2] The following funding is added for 2019-21 biennium salary adjustments of 2 percent per year and increases in health insurance premiums from $1,241 to $1,427 per month:

	General Fund
Salary increase	$237,884
Health insurance increase	236,489
Total	$474,373

[3] One FTE assistant program supervisor position is removed.

[4] Transfers 29.80 FTE positions and related funding of $8,850,000 from the Information Technology Department to the Department of Career and Technical Education. Of this amount, $5,800,000 is for salaries and wages from the general fund and $3,050,000 is for operating expenses from the independent study operating fund.

[5] One FTE office assistant III position for the Center for Distance Education and related salaries and wages funding of $103,943 from the general fund is removed. Including salaries and health insurance increases of $248,110 approved by the House, the total appropriation for the Center for Distance Education is $8,994,167, of which

$5,944,167 is for salaries and wages from the general fund and $3,050,000 is for operating expenses from the independent study operating fund. The total authorized FTE for the Center for Distance Education is 28.80 positions.

[6] Transfers 0.50 FTE administrative assistant II position and $765,122 for the Educational Technology Council from the Information Technology Department to the Department of Career and Technical Education. Of this amount, $265,122 is from the general fund for salaries ($76,556), operating expenses ($103,566), and grants ($85,000). The remaining $500,000 is from federal funds for capital assets.

[7] Base level funding is adjusted as follows:

	General Fund
Reduces funding for grants	($220,000)
Reduces funding for postsecondary grants	(25,818)
Reduces funding for adult farm management grants	(350,007)
Total	($595,825)

[8] Adds funding of $2 million for anticipated increases in federal funds, of which $400,000 is for operating expenses and $1.6 million is for grants.

[9] Funding of $22,421,214 is transferred from the grants line item to the following line items:

	General Fund	Other Funds	Total
Operating expenses	$100,000	$575,000	$675,000
Grants - Secondary	20,110,780	0	20,110,780
Grants - Postsecondary	71,007	0	71,007
Adult farm management	1,564,427	0	1,564,427
Total	$21,846,214	$575,000	$22,421,214

[10] Funding of $2,427,000 is added for grants to school districts and area centers to provide a total appropriation of $22,537,780 from the general fund in the grants - secondary line item.

[11] Funding of $300,000 is added from the general fund for the Marketplace for Kids program. One-time funding of $300,000 was appropriated for the 2017-19 biennium, of which $250,000 was from the general fund and $50,000 was from the foundation aid stabilization fund.

Sections are added to:

- Change the position responsible for approving Center for Distance Education expenditures from the technology director of the Educational Technology Council to the director of the Department of Career and Technical Education.
- Transfer the Educational Technology Council from the Information Technology Department to the Department of Career and Technical Education by including related statutory provisions under the Department of Career and Technical Education chapter of the Century Code and repealing related provisions from the Information Technology Department chapter.

House Bill No. 1019 - Dept. of Career and Technical Education - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$4,699,975	$4,793,318	$19,447	$4,812,765
Operating expenses	1,240,589	2,315,589	42,207	2,357,796
Grants	30,106,356	9,065,142	142,207	9,207,349
Grants - Postsecondary	296,207	341,396	(84,414)	256,982
Adult farm management	579,822	1,794,242	350,007	2,144,249
Workforce training	2,000,000	2,000,000		2,000,000
Educational Technology Council		770,978	(770,978)	
Grants - Secondary		22,537,780	2,400,000	24,937,780
Center for Distance Education		8,994,167	757,021	9,751,188
Marketplace for Kids		300,000		300,000
Total all funds	$38,922,949	$52,912,612	$2,855,497	$55,768,109
Less estimated income	9,616,666	15,203,121	(500,000)	14,703,121
General fund	$29,306,283	$37,709,491	$3,355,497	$41,064,988
FTE	24.50	52.80	(0.50)	52.30

Department 270 - Dept. of Career and Technical Education - Detail of Senate Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Funding for the Educational Technology Council[2]	Line Item Transfers[3]	Restores Funding for Adult Farm Management Grants[4]	Adds Funding to Maintain Reimbursement Rates[5]	Adds Funding for New and Expanding Programs[6]
Salaries and wages	$19,447					
Operating expenses			$42,207			
Grants			142,207			
Grants - Postsecondary			(84,414)			
Adult farm management				$350,007		
Workforce training						
Educational Technology Council		($770,978)				
Grants - Secondary			(100,000)		$1,000,000	$1,500,000
Center for Distance Education	34,262					
Marketplace for Kids						
Total all funds	$53,709	($770,978)	$0	$350,007	$1,000,000	$1,500,000
Less estimated income	0	(500,000)	0	0	0	0
General fund	$53,709	($270,978)	$0	$350,007	$1,000,000	$1,500,000
FTE	0.00	(0.50)	0.00	0.00	0.00	0.00

	Adds Funding for the Center for Distance Education[7]	Total Senate Changes
Salaries and wages		$19,447
Operating expenses		42,207
Grants		142,207
Grants - Postsecondary		(84,414)
Adult farm management		350,007
Workforce training		
Educational Technology Council		(770,978)
Grants - Secondary		2,400,000
Center for Distance Education	$722,759	757,021
Marketplace for Kids		
Total all funds	$722,759	$2,855,497
Less estimated income	0	(500,000)
General fund	$722,759	$3,355,497
FTE	0.00	(0.50)

[1] Funding of $53,709 from the general fund is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of $120 and a maximum monthly increase of $200 on July 1, 2019, and 2.5 percent on July 1, 2020. The House approved 2019-21 biennium salary increases of 2 percent per year.

[2] Funding of $770,978 for the Educational Technology Council is removed, of which $270,978 is from the general fund and $500,000 is from federal funds. Of the amount removed, $82,412 was for salaries, $103,566 was for operating expenses, $85,000 was for grants, and $500,000 was for capital assets. A 0.50 FTE administrative assistant II position related to the $82,412 of salaries is also removed.

[3] Funding of $184,414 from the general fund is transferred between the following line items:

Line Item Transfer	General Fund
Grants - secondary line item to the grants line item	$100,000
Grants - postsecondary line item to the grants line item	42,207
Grants - postsecondary line item to the operating expenses line item	42,207
Total	$184,414

[4] Funding of $350,007 is restored for adult farm management grants to provide a total appropriation of $2,144,249 from the general fund. The House approved $1,794,242 of funding from the general fund for this program.

[5] Funding of $1 million is added from the general fund for the cost to continue and to maintain current reimbursement rates for Department of Career and Technical Education center expenditures, including instructor salaries and supplies. The House did not provide funding for the cost to continue and to maintain reimbursement rates.

[6] Funding of $1.5 million is added from the general fund for new and expanding Department of Career and Technical Education secondary programs. The House did not provide funding for new and expanding programs.

[7] Funding of $722,759 is added from the general fund for the Center for Distance Education, of which $502,759 may be used only for new enrollments during the 2019-21 biennium. The Senate provided a total appropriation of $9,751,188 for the Center for Distance Education, of which $6,701,188 is from the general fund and $3,050,000 is from the independent study operating fund, including 28.80 FTE positions. The House provided a total of $8,994,167 for the Center of Distance Education, of which $5,944,167 is from the general fund and $3,050,000 is from the independent study operating fund, including 28.80 FTE positions.

This amendment also:

- Removes sections amending statutory provisions related to the Center for Distance Education and the Educational Technology Council.
- Adds a section requiring $502,759 of funding from the general fund provided for the Center for Distance Education be used only for new enrollments. The section also provides a statement of legislative intent that the Center for Distance Education develop a fee structure during the 2019-20 interim to become self-sustaining beginning in the 2021-23 biennium.

House Bill No. 1019 - Dept. of Career and Technical Education - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$4,699,975	$4,793,318	$19,447	$4,812,765	$4,812,765	
Operating expenses	1,240,589	2,315,589	42,207	2,357,796	2,357,796	
Grants	30,106,356	9,065,142	142,207	9,207,349	9,207,349	
Grants - Postsecondary	296,207	341,396	(84,414)	256,982	256,982	
Adult farm management	579,822	1,794,242	100,007	1,894,249	2,144,249	($250,000)
Workforce training	2,000,000	2,000,000		2,000,000	2,000,000	
Educational Technology Council		770,978	(770,978)			
Grants - Secondary		22,537,780	2,050,000	24,587,780	24,937,780	(350,000)
Center for Distance Education		8,994,167	357,021	9,351,188	9,751,188	(400,000)
Marketplace for Kids		300,000		300,000	300,000	
Total all funds	$38,922,949	$52,912,612	$1,855,497	$54,768,109	$55,768,109	($1,000,000)
Less estimated income	9,616,666	15,203,121	(500,000)	14,703,121	14,703,121	0
General fund	$29,306,283	$37,709,491	$2,355,497	$40,064,988	$41,064,988	($1,000,000)
FTE	24.50	52.80	(0.50)	52.30	52.30	0.00

Department 270 - Dept. of Career and Technical Education - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Funding for the Educational Technology Council[2]	Line Item Transfers[3]	Restores Funding for Adult Farm Management Grants[4]	Adds Funding to Maintain Reimbursement Rates[5]	Adds Funding for New and Expanding Programs[6]
Salaries and wages	$19,447					
Operating expenses			$42,207			
Grants			142,207			
Grants - Postsecondary			(84,414)			
Adult farm management				$100,007		
Workforce training						
Educational Technology Council		($770,978)				
Grants - Secondary			(100,000)		$1,000,000	$1,150,000
Center for Distance Education	34,262					
Marketplace for Kids						
Total all funds	$53,709	($770,978)	$0	$100,007	$1,000,000	$1,150,000
Less estimated income	0	(500,000)	0	0	0	0
General fund	$53,709	($270,978)	$0	$100,007	$1,000,000	$1,150,000
FTE	0.00	(0.50)	0.00	0.00	0.00	0.00

	Adds Funding for the Center for Distance Education[7]	Total Conference Committee Changes
Salaries and wages		$19,447
Operating expenses		42,207
Grants		142,207
Grants - Postsecondary		(84,414)
Adult farm management		100,007
Workforce training		
Educational Technology Council		(770,978)
Grants - Secondary		2,050,000
Center for Distance Education	$322,759	357,021
Marketplace for Kids		
Total all funds	$322,759	$1,855,497
Less estimated income	0	(500,000)
General fund	$322,759	$2,355,497
FTE	0.00	(0.50)

[1] Funding of $53,709 from the general fund is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of $120 and a maximum monthly increase of $200 on July 1, 2019, and 2.5 percent on July 1, 2020, the same as the Senate. The House approved 2019-21 biennium salary increases of 2 percent per year.

[2] Funding of $770,978 for the Educational Technology Council (ETC) is removed, of which $270,978 is from the general fund and $500,000 is from federal funds. Of the amount removed, $82,412 was for salaries, $103,566 was for operating expenses, $85,000 was for grants, and $500,000 was for capital assets. A 0.50 FTE administrative assistant II position related to the $82,412 of salaries is also removed. The Senate also removed the funding and FTE for the ETC.

[3] Funding of $184,414 from the general fund is transferred between the following line items:

Line Item Transfer	General Fund
Grants - secondary line item to the grants line item	$100,000
Grants - postsecondary line item to the grants line item	42,207
Grants - postsecondary line item to the operating expenses line item	42,207
Total	$184,414

The Senate also provided for these transfers.

[4] Funding of $100,007 is restored for adult farm management grants to provide a total appropriation of $1,894,249 from the general fund. The Senate approved $2,144,249 and the House approved $1,794,242 from the general fund for this program.

[5] Funding of $1 million is added from the general fund for the cost to continue and to maintain current reimbursement rates for Department of Career and Technical Education center expenditures, including instructor salaries and supplies, the same as provided by the Senate. The House did not provide funding for the cost to continue and to maintain reimbursement rates.

[6] Funding of $1.15 million is added from the general fund for new and expanding Department of Career and Technical Education secondary programs. The Senate provided $1.5 million for new and expanding programs. The House did not provide funding for new and expanding programs.

[7] Funding of $322,759 is added from the general fund for the Center for Distance Education (CDE), of which $102,759 may be used only for new enrollments during the 2019-21 biennium. The Conference Committee approved a total appropriation of $9,351,188 for CDE, of which $6,301,188 is from the general fund and $3,050,000 is from the independent study operating fund, including 28.80 FTE.

The Senate provided a total appropriation of $9,751,188 for CDE, of which $6,701,188 was from the general fund and $3,050,000 was from the independent study operating fund, including 28.80 FTE positions. The House provided a total of $8,994,167, of which $5,944,167 was from the general fund and $3,050,000 was from the independent study operating fund, including 28.80 FTE positions.

This amendment also:

- Removes sections amending statutory provisions related to the Center for Distance Education and the Educational Technology Council. These sections were also removed by the Senate.
- Adds a section requiring $102,759 of funding from the general fund provided for the Center for Distance Education be used only for new enrollments. The section also provides a statement of legislative intent that the Center for Distance Education develop a fee structure during the 2019-20 interim to become self-sustaining beginning in the 2021-23 biennium. The Senate version included $502,759 from the general fund for this purpose.