STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2019 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Dept. of Career and Technical Education			
Salaries and wages	$4,812,765	$4,643,906	($168,859)
Operating expenses	2,357,796	2,198,453	(159,343)
Grants	9,207,349	9,507,349	300,000
Grants - Secondary	24,587,780	26,837,780	2,250,000
Marketplace for kids	300,000	300,000	
Grants - Postsecondary	256,982		(256,982)
Adult farm management	1,894,249	1,706,138	(188,111)
Workforce training	2,000,000	2,000,000	
Center for distance education	9,351,188	9,461,254	110,066
STEM initiative		100,000	100,000
Total all funds	$54,768,109	$56,754,880	$1,986,771
Less estimated income	14,703,121	15,019,817	316,696
General fund	$40,064,988	$41,735,063	$1,670,075
FTE	52.30	50.30	(2.00)
Bill total			
Total all funds	$54,768,109	$56,754,880	$1,986,771
Less estimated income	14,703,121	15,019,817	316,696
General fund	$40,064,988	$41,735,063	$1,670,075
FTE	52.30	50.30	(2.00)

Senate Bill No. 2019 - Dept. of Career and Technical Education - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	$4,812,765	($158,124)	$4,654,641
Operating expenses	2,357,796	(159,343)	2,198,453
Grants	9,207,349	45,300,000	54,507,349
Grants - Secondary	24,587,780	2,600,000	27,187,780
Marketplace for kids	300,000	(50,000)	250,000
Grants - Postsecondary	256,982	(256,982)	
Adult farm management	1,894,249	(138,111)	1,756,138
Workforce training	2,000,000	(100,000)	1,900,000
Center for distance education	9,351,188	113,465	9,464,653
Total all funds	$54,768,109	$47,150,905	$101,919,014
Less estimated income	14,703,121	45,316,696	60,019,817
General fund	$40,064,988	$1,834,209	$41,899,197
FTE	52.30	(2.00)	50.30

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

	Adjusts Funding for Base Payroll Changes[1]	Adds Funding for Salary and Benefit Increases[2]	Removes Positions[3]	Adjusts Base Level Funding[4]	Transfers STEM Funding[5]	Adds Funding for an Apprenticeship Grant Program[6]
Salaries and wages	$45,536	$115,354	($292,614)	($26,400)		
Operating expenses				(59,343)	($100,000)	
Grants						$300,000
Grants - Secondary					100,000	
Marketplace for kids						
Grants - Postsecondary						
Adult farm management						
Workforce training						
Center for distance education	(22,519)	135,984				
STEM initiative						
Total all funds	$23,017	$251,338	($292,614)	($85,743)	$0	$300,000
Less estimated income	23,018	0	0	(6,322)	0	300,000
General fund	($1)	$251,338	($292,614)	($79,421)	$0	$0
FTE	0.00	0.00	(2.00)	0.00	0.00	0.00

	Adds Funding for Cost to Continue Reimbursement Rates[7]	Adds Funding for New and Expanding Programs[8]	Reduces Funding for Marketplace for Kids[9]	Removes Funding for Postsecondary Grants[10]	Reduces Funding for Adult Farm Management[11]	Reduces Funding for Workforce Training[12]
Salaries and wages						
Operating expenses						
Grants						
Grants - Secondary	$1,500,000	$1,000,000				
Marketplace for kids			($50,000)			
Grants - Postsecondary				($256,982)		
Adult farm management					($138,111)	
Workforce training						($100,000)
Center for distance education						
STEM initiative						
Total all funds	$1,500,000	$1,000,000	($50,000)	($256,982)	($138,111)	($100,000)
Less estimated income	0	0	0	0	0	0
General fund	$1,500,000	$1,000,000	($50,000)	($256,982)	($138,111)	($100,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Career Academies[13]	Total Senate Changes
Salaries and wages		($158,124)
Operating expenses		(159,343)
Grants	$45,000,000	45,300,000
Grants - Secondary		2,600,000
Marketplace for kids		(50,000)
Grants - Postsecondary		(256,982)
Adult farm management		(138,111)
Workforce training		(100,000)
Center for distance education		113,465
STEM initiative		
Total all funds	$45,000,000	$47,150,905
Less estimated income	45,000,000	45,316,696
General fund	$0	$1,834,209
FTE	0.00	(2.00)

[1] Funding is adjusted for base payroll changes.

[2] The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of $80 and a maximum monthly increase of $300 and 2 percent on July 1, 2022, and increases in health insurance premiums from $1,427 to $1,429 per month:

	General Fund
Salary increase	$248,896
Health insurance increase	2,442
Total	$251,338

[3] Funding is removed from the general fund for 1 FTE assistant program supervisor position ($174,335) and 1 FTE administrative assistant II position ($118,279).

[4] Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding for temporary salaries	($17,688)	($8,712)	($26,400)
Reduces funding for operating expenses	(62,207)	0	(62,207)
Adds funding for Microsoft Office 365 license expenses	474	2,390	2,864
Reduces funding for Center for Distance Education rent	0	(152,500)	(152,500)
Adds funding for Center for Distance Education information technology expenses	0	152,500	152,500
Total	($79,421)	($6,322)	($85,743)

[5] Science, technology, engineering, and mathematics (STEM) funding of $100,000 from the general fund is transferred from the operating expenses line item to the secondary grants line item.

[6] Federal funding of $300,000 is added for an apprenticeship grant program. The funding will be transferred to Lake Region State College for the administration of the program. In August 2020, the Emergency Commission and Budget Section approved a request to accept and spend $122,695 of federal funds for this program for the remainder of the 2019-21 biennium.

[7] Funding of $1.5 million is added from the general fund for the cost to continue career and technical education course cost reimbursement rates at schools (27 percent) and area career and technical centers (40 percent).

[8] Funding of $1 million is added from the general fund to reimburse schools and area career and technical centers for the cost of new and expanding career and technical education program course expenses.

[9] Funding for the Marketplace for Kids program is reduced by $50,000 to provide a total of $250,000 from the general fund.

[10] Funding of $256,982 from the general fund is removed for postsecondary grants to eliminate the program.

[11] Funding for the adult farm management program is reduced by $138,111 to provide a total of $1,756,138 from the general fund.

[12] Funding is reduced for workforce training to provide a total of $1.9 million from the general fund.

[13] Funding is added from bond proceeds for competitive workforce development grants to build career academies.

Senate Bill No. 2019 - Dept. of Career and Technical Education - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$4,812,765	$4,654,641	($10,735)	$4,643,906
Operating expenses	2,357,796	2,198,453		2,198,453
Grants	9,207,349	54,507,349	(45,000,000)	9,507,349
Grants - Secondary	24,587,780	27,187,780	(600,000)	26,587,780
Marketplace for kids	300,000	250,000	50,000	300,000
Grants - Postsecondary	256,982			
Adult farm management	1,894,249	1,756,138	(50,000)	1,706,138
Workforce training	2,000,000	1,900,000	100,000	2,000,000
Center for distance education	9,351,188	9,464,653	(3,399)	9,461,254
STEM initiative			100,000	100,000
Total all funds	$54,768,109	$101,919,014	($45,414,134)	$56,504,880
Less estimated income	14,703,121	60,019,817	(45,000,000)	15,019,817
General fund	$40,064,988	$41,899,197	($414,134)	$41,485,063
FTE	52.30	50.30	0.00	50.30

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

	Adjusts Funding for Salary Increases[1]	Transfers STEM Funding[2]	Reduces Funding for Cost to Continue Reimbursement Rates[3]	Restores Funding for Marketplace for Kids[4]	Reduces Funding for Adult Farm Management[5]	Restores Funding for Workforce Training[6]
Salaries and wages	($10,735)					
Operating expenses						
Grants						
Grants - Secondary		($100,000)	($500,000)			
Marketplace for kids				$50,000		
Grants - Postsecondary						
Adult farm management					($50,000)	
Workforce training						$100,000
Center for distance education	(3,399)					
STEM initiative		100,000				
Total all funds	($14,134)	$0	($500,000)	$50,000	($50,000)	$100,000
Less estimated income	0	0	0	0	0	0
General fund	($14,134)	$0	($500,000)	$50,000	($50,000)	$100,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Removes One-Time Funding for Career Academies[7]	Total House Changes
Salaries and wages		($10,735)
Operating expenses		
Grants	($45,000,000)	(45,000,000)
Grants - Secondary		(600,000)
Marketplace for kids		50,000
Grants - Postsecondary		
Adult farm management		(50,000)
Workforce training		100,000
Center for distance education		(3,399)
STEM initiative		100,000
Total all funds	($45,000,000)	($45,414,134)
Less estimated income	(45,000,000)	(45,000,000)
General fund	$0	($414,134)
FTE	0.00	0.00

[1] Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of $100 and 2 percent on July 1, 2022. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of $80 and a maximum monthly increase of $300 on July 1, 2021, and 2 percent on July 1, 2022.

[2] Science, technology, engineering, and mathematics (STEM) funding of $100,000 from the general fund is transferred from the secondary grants line item to a newly created science, technology, engineering, and mathematics initiative line item. The Senate transferred this funding from the operating expenses line item to the secondary grants line item.

[3] Funding for the cost to continue career and technical education course cost reimbursement rates for schools (27 percent) and area career and technical centers (40 percent) is reduced by $500,000 from the general fund to provide a total of $1,000,000. The Senate approved $1,500,000 from the general fund.

[4] Funding of $50,000 is restored for the Marketplace for Kids program to provide a total of $300,000 from the general fund, the same as provided during the 2019-21 biennium. The Senate provided $250,000 from the general fund.

[5] Funding for the adult farm management program is reduced by $50,000, to provide a total of $1,706,138 from the general fund. The Senate reduced funding for the program by $138,111 to provide a total of $1,756,138 from the general fund. The additional $50,000 reduction approved by the House results in a total reduction of $188,111 from the 2019-21 biennium appropriation of $1,894,249 from the general fund.

[6] Funding of $100,000 is restored for workforce training to provide a total of $2,000,000 from the general fund, the same as provided for the 2019-21 biennium. The Senate approved a reduction of $100,000 to provide a total of $1,900,000 from the general fund.

[7] One-time funding of $45,000,000 from bond proceeds for competitive workforce development grants to build career academies approved by the Senate is removed by the House. This amendment also removes Section 2 from the bill related to one-time funding, which was added by the Senate.

This amendment also adds a section of legislative intent that school districts use federal funds available from the elementary and secondary school emergency relief fund to effectively benefit students, develop plans to provide for any future operating and maintenance costs relating to new or expanded programs resulting from the expenditure of these federal funds, and develop plans to provide increased local support for area career and technical centers since state secondary grant funding is limited and the share of state assistance for these programs may decrease if new or expanded programs are established.

Senate Bill No. 2019 - Dept. of Career and Technical Education - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$4,812,765	$4,654,641	($10,735)	$4,643,906	$4,643,906	
Operating expenses	2,357,796	2,198,453		2,198,453	2,198,453	
Grants	9,207,349	54,507,349	(45,000,000)	9,507,349	9,507,349	
Grants - Secondary	24,587,780	27,187,780	(350,000)	26,837,780	26,587,780	$250,000
Marketplace for kids	300,000	250,000	50,000	300,000	300,000	
Grants - Postsecondary	256,982					
Adult farm management	1,894,249	1,756,138	(50,000)	1,706,138	1,706,138	
Workforce training	2,000,000	1,900,000	100,000	2,000,000	2,000,000	
Center for distance education	9,351,188	9,464,653	(3,399)	9,461,254	9,461,254	
STEM initiative			100,000	100,000	100,000	
Total all funds	$54,768,109	$101,919,014	($45,164,134)	$56,754,880	$56,504,880	$250,000
Less estimated income	14,703,121	60,019,817	(45,000,000)	15,019,817	15,019,817	0
General fund	$40,064,988	$41,899,197	($164,134)	$41,735,063	$41,485,063	$250,000
FTE	52.30	50.30	0.00	50.30	50.30	0.00

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

	Adjusts Funding for Salary Increases[1]	Transfers STEM Funding[2]	Reduces Funding for Cost to Continue Reimbursement Rates[3]	Restores Funding for Marketplace for Kids[4]	Reduces Funding for Adult Farm Management[5]	Restores Funding for Workforce Training[6]
Salaries and wages	($10,735)					
Operating expenses						
Grants						
Grants - Secondary		($100,000)	($250,000)			
Marketplace for kids				$50,000		
Grants - Postsecondary						
Adult farm management					($50,000)	
Workforce training						$100,000
Center for distance education	(3,399)					
STEM initiative		100,000				
Total all funds	($14,134)	$0	($250,000)	$50,000	($50,000)	$100,000
Less estimated income	0	0	0	0	0	0
General fund	($14,134)	$0	($250,000)	$50,000	($50,000)	$100,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Removes One-Time Funding for Career Academies[7]	Total Conference Committee Changes
Salaries and wages		($10,735)
Operating expenses		
Grants	($45,000,000)	(45,000,000)
Grants - Secondary		(350,000)
Marketplace for kids		50,000
Grants - Postsecondary		
Adult farm management		(50,000)
Workforce training		100,000
Center for distance education		(3,399)
STEM initiative		100,000
Total all funds	($45,000,000)	($45,164,134)
Less estimated income	(45,000,000)	(45,000,000)
General fund	$0	($164,134)
FTE	0.00	0.00

[1] Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of $100 and 2 percent on July 1, 2022, the same as provided by the House. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of $80 and a maximum monthly increase of $300 on July 1, 2021, and 2 percent on July 1, 2022.

[2] Science, technology, engineering, and mathematics (STEM) funding of $100,000 from the general fund is transferred from the secondary grants line item to a newly created science, technology, engineering, and mathematics initiative line item, the same as provided by the House. The Senate transferred this funding from the operating expenses line item to the secondary grants line item.

[3] Funding for the cost to continue career and technical education course cost reimbursement rates for schools (27 percent) and area career and technical centers (40 percent) is reduced by $250,000 from the general fund to provide a total of $1,250,000. The Senate approved $1,500,000 from the general fund. The House approved $1,000,000 from the general fund.

[4] Funding of $50,000 is restored for the Marketplace for Kids program to provide a total of $300,000 from the general fund, the same as provided during the 2019-21 biennium and by the House. The Senate provided $250,000 from the general fund.

[5] Funding for the adult farm management program is reduced by $50,000, to provide a total of $1,706,138 from the general fund. The Senate reduced funding for the program by $138,111 to provide a total of $1,756,138 from the general fund. The additional $50,000 reduction approved by the House results in a total reduction of $188,111 from the 2019-21 biennium appropriation of $1,894,249 from the general fund.

[6] Funding of $100,000 is restored for workforce training to provide a total of $2,000,000 from the general fund, the same as provided for the 2019-21 biennium and by the House. The Senate approved a reduction of $100,000 to provide a total of $1,900,000 from the general fund.

[7] One-time funding of $45,000,000 from bond proceeds for competitive workforce development grants to build career academies approved by the Senate is removed. The House also removed the funding. This amendment removes Section 2 from the bill related to one-time funding, which was added by the Senate.

This amendment also adds a section of legislative intent that school districts use federal funds available from the elementary and secondary school emergency relief fund to effectively benefit students, prepare to provide for any future operating and maintenance costs relating to new or expanded programs resulting from the expenditure of these federal funds, and prepare to provide increased local support for area career and technical centers since state secondary grant funding is limited and the share of state assistance for these programs may decrease if new or expanded programs are established. This section was also included by the House, but amended by the Conference Committee to include the word "prepare" rather than "develop plans".