Department of Career and Technical Education
Budget No. 270
Senate Bill Nos. 2019 and 2018

	FTE Positions	General Fund	Other Funds	Total
2025-27 legislative appropriations	**23.50**	**$62,077,324**	**$18,678,009**	**$80,755,333**
2025-27 base budget	23.50	51,315,277	14,500,485	65,815,762
Legislative increase (decrease) to base budget	0.00	$10,762,047	$4,177,524	$14,939,571

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2025-27 legislative appropriations	**$61,777,324**	**$300,000**	**$62,077,324**
2023-25 legislative appropriations	51,315,277	2,000,000	53,315,277
2025-27 legislative increase (decrease) to 2023-25 appropriations	$10,462,047	($1,700,000)	$8,762,047
Percentage increase (decrease) to 2023-25 appropriations	20.4%	(85.0%)	16.4%

SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS
Changes to Base Budget

	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted funding for base payroll changes		$7	($828)	($821)
Added funding to provide employee salary increases of 3 percent on July 1, 2025, and 3 percent on July 1, 2026		198,576	14,927	213,503
Added funding for employee health insurance premiums to reflect a revised premium estimate of $1,893 per month		134,611	9,516	144,127
Added funding to replace the 2023-25 biennium new and vacant FTE funding pool, including $394,874 for new positions and $148,852 for vacant positions		524,832	18,894	543,726
Transferred ($180,290) for estimated savings from vacant FTE positions from the salaries and wages line item to the new and vacant FTE pool line item and reduced the amount to $126,203 resulting in the savings as shown		(50,343)	(3,744)	(54,087)
Added funding for operating expenses, primarily related to professional services and fees, travel, information technology costs, and office equipment		10,502	388,759	399,261

Added federal funding for grants to schools and area career and technical centers for career and technical education programs to provide a total of $14,007,349 from federal funds			2,500,000	2,500,000
Added funding for the cost to continue career and technical education reimbursement rates at schools (27 percent) and area career and technical centers (40 percent)		4,000,000		4,000,000
Added funding for new and expanding secondary career and technical education programs		6,000,000		6,000,000
Added funding for grants to schools for work-based learning coordinators to provide a total of $2 million from the general fund		500,000		500,000
Added funding for the Marketplace for Kids program to provide a total of $400,000 from the general fund		100,000		100,000
Removed funding for the adult farm management program, eliminating the program in the Department of Career and Technical Education. Senate Bill No. 2274 (2025) included statutory changes necessary to transfer the program to the Agriculture Commissioner and a $1.9 million appropriation from the general fund to the Agriculture Commissioner for a farm management program.		(1,706,138)		(1,706,138)
Added funding for workforce training grants to provide a total of $3.25 million from the general fund		750,000		750,000
Added **one-time funding** from the strategic investment and improvements fund (SIIF) for virtual reality career exploration hardware and software			1,000,000	1,000,000
Added **one-time funding** for rent, moving, and office equipment expenses		300,000		300,000
Added **one-time funding** from SIIF for autonomous technology grants (Senate Bill No. 2018)			250,000	250,000
Total	0.00	$10,762,047	$4,177,524	$14,939,571

FTE Changes

The Legislative Assembly approved 23.50 FTE positions for the Department of Career and Technical Education for the 2025-27 biennium, the same as the 2023-25 biennium.

One-Time Funding

The Legislative Assembly appropriated $1.55 million of one-time funding to the Department of Career and Technical Education for the 2025-27 biennium, as follows:

	General Fund	SIIF	Total
Virtual reality career exploration hardware and software		$1,000,000	$1,000,000
Rent, moving, and office equipment expenses	$300,000		300,000
Autonomous technology grants (Senate Bill No. 2018)		250,000	250,000
Total	$300,000	$1,250,000	$1,550,000

Secondary Funding

During the November 2016 general election, Constitutional Measure No. 2 was approved by North Dakota voters, amending Section 24 of Article X of the Constitution of North Dakota to allow the Legislative Assembly to use any excess principal balance of the foundation aid stabilization fund for education-related purposes whenever the balance exceeds 15 percent of the general fund appropriation for state aid to school districts for the most recently completed biennium.

The 2017 Legislative Assembly, in Senate Bill No. 2272 and House Bill No. 1155, amended North Dakota Century Code Section 54-44.1-12 to provide any reductions to the general fund appropriations to the Department of Career and Technical Education for grants to school districts due to an allotment are also to be offset by funding from the foundation aid stabilization fund. Senate Bill No. 2272 also created a new section to Chapter 54-27 indicating that state school aid includes general fund appropriations for state school aid, transportation aid, and special education aid in the Department of Public Instruction as well as general fund appropriations for career and technical education grants to school districts and area centers in the Department of Career and Technical Education.

The 2023 Legislative Assembly provided a $41,537,780 general fund appropriation for career and technical education grants to school districts and area centers for the 2023-25 biennium. Of this amount, $6,230,667, or 15 percent must be included when calculating the required reserve in the foundation aid stabilization fund during the 2025-27 biennium.

The 2025 Legislative Assembly provided a $52,037,780 general fund appropriation for career and technical education grants to school districts and area centers for the 2025-27 biennium. Of this amount, $7,805,667, or 15 percent, must be included when calculating the required reserve in the foundation aid stabilization fund during the 2027-29 biennium.

Other Sections in Senate Bill No. 2019

New and vacant FTE pool - Section 3 provides the Department of Career and Technical Education may not spend funds appropriated in the new and vacant FTE pool line item but may request the Office of Management and Budget to transfer funds to the salaries and wages line item.

Virtual reality career exploration - Section 4 identifies $1 million of one-time funding appropriated from SIIF in Section 1 for virtual reality career exploration hardware and software.

Exemption - Career academies - Section 5 provides the Department of Career and Technical Education an exemption to continue any unspent funding appropriated from the federal Coronavirus Capital Projects Fund for career academies during the 2021-23 and 2023-25 bienniums into the 2025-27 biennium.

Emergency - Section 6 provides the $300,000 of one-time funding appropriated from the general fund for rent, moving, and office equipment expenses in Section 1 is declared an emergency measure.

Related Legislation

House Bill No. 1188 - Career and technical education fees - This bill amends requirements for area career and technical centers boards to assess fees to school districts for participation in career and technical education programs.

Senate Bill No. 2018 - Autonomous technology grants - Section 6 of this bill includes a $250,000 one-time appropriation from SIIF to the Department of Career and Technical Education for providing autonomous technology grants to a workforce training center serving the Northwest area of the state for workforce training and to address workforce shortages in the state. Autonomous technology includes uncrewed aircraft systems, autonomous vehicles, or other autonomous systems, processes, or technologies. The department may require $1 of matching funds from nonstate sources for every $4 provided by the state. A workforce training center may use grant funding for education or training curriculum expenses related to autonomous technology, autonomous technology operations, contracting for

services related to autonomous technology, or other eligible uses as determined by the department. The department is required to provide at least one report to the Legislative Management during the 2025-26 interim regarding the grants, including a list of grant recipients, the amounts awarded, and a description of the use of the grant funding.

Senate Bill No. 2274 - Farm management program - This bill provides statutory authority for the Agriculture Commissioner to administer the farm management program currently administered by the Department of Career and Technical Education and appropriates $1,900,000 of ongoing funding from the general fund to the Agriculture Commissioner for the program. The Legislative Assembly removed the entire $1,706,138 appropriation from the general fund in the Department of Career and Technical Education base budget for the program in Senate Bill No. 2019.