

PROPOSED AMENDMENTS TO SENATE BILL NO. 2019

Page 1, line 2, after "education" insert "; and to provide a report"

Page 1, replace lines 10 through 24 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
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)	0
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	<u>9,351,188</u>	<u>113,465</u>	<u>9,464,653</u>
Total all funds	\$54,768,109	\$47,150,905	\$101,919,014
Less estimated income	<u>14,703,121</u>	<u>45,316,696</u>	<u>60,019,817</u>
Total general fund	\$40,064,988	\$1,834,209	\$41,899,197
Full-time equivalent positions	52.30	(2.00)	50.30

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Career academy grants	\$0	\$45,000,000
Total all funds	\$0	\$45,000,000
Less estimated income	<u>0</u>	<u>45,000,000</u>
Total general fund	\$0	\$0

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The department of career and technical education shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

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

	<u>Base Budget</u>	<u>Senate Changes</u>	<u>Senate Version</u>
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**

	<b>Adjusts Funding for Base Payroll Changes<sup>1</sup></b>	<b>Adds Funding for Salary and Benefit Increases<sup>2</sup></b>	<b>Removes Positions<sup>3</sup></b>	<b>Adjusts Base Level Funding<sup>4</sup></b>	<b>Transfers STEM Funding<sup>5</sup></b>	<b>Adds Funding for an Apprenticeship Grant Program<sup>6</sup></b>
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				
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

	<b>Adds Funding for Cost to Continue Reimbursement Rates<sup>7</sup></b>	<b>Adds Funding for New and Expanding Programs<sup>8</sup></b>	<b>Reduces Funding for Marketplace for Kids<sup>9</sup></b>	<b>Removes Funding for Postsecondary Grants<sup>10</sup></b>	<b>Reduces Funding for Adult Farm Management<sup>11</sup></b>	<b>Reduces Funding for Workforce Training<sup>12</sup></b>
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						
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

	<b>Adds One-Time Funding for Career Academies<sup>13</sup></b>	<b>Total Senate Changes</b>
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
<b>Total all funds</b>	<b>\$45,000,000</b>	<b>\$47,150,905</b>
Less estimated income	45,000,000	45,316,696
General fund	\$0	\$1,834,209
<b>FTE</b>	<b>0.00</b>	<b>(2.00)</b>

<sup>1</sup> Funding is adjusted for base payroll changes.

<sup>2</sup> 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:

	<b><u>General Fund</u></b>
Salary increase	\$248,896
Health insurance increase	2,442
<b>Total</b>	<b>\$251,338</b>

<sup>3</sup> 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).

<sup>4</sup> Base level funding is adjusted as follows:

	<b><u>General Fund</u></b>	<b><u>Other Funds</u></b>	<b><u>Total</u></b>
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
<b>Total</b>	<b>(\$79,421)</b>	<b>(\$6,322)</b>	<b>(\$85,743)</b>

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> 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).

<sup>8</sup> 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.

<sup>9</sup> Funding for the Marketplace for Kids program is reduced by \$50,000 to provide a total of \$250,000 from the general fund.

<sup>10</sup> Funding of \$256,982 from the general fund is removed for postsecondary grants to eliminate the program.

<sup>11</sup> Funding for the adult farm management program is reduced by \$138,111 to provide a total of \$1,756,138 from the general fund.

<sup>12</sup> Funding is reduced for workforce training to provide a total of \$1.9 million from the general fund.

<sup>13</sup> Funding is added from bond proceeds for competitive workforce development grants to build career academies.