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Senate Finance & Taxation Committee

HB 1431

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Good morning, Chair Bell and members of the committee. My name is Katie Ralston, and I have served as the director of the workforce division at the North Dakota Department of Commerce since January 2020. In my role, I also have the great pleasure of serving as the director of the industry-led Workforce Development Council. Although I am not here on behalf of the Council, I'll lean on the work the Council has done to inform my testimony. I'm testifying in support of HB 1431 with an amendment to include funding for career and technical education centers.

The Department of Commerce would ask the committee to consider amending 1431 to include \$45 million to incentivize and support career and technical education centers across the state. We recommend that the language create a competitive grant to be run by state workforce agencies such as CTE, Commerce and K12 with a requirement for a match from the private sector and/or political subdivisions.

The role of the Workforce Development Council is to advise the Governor and the public concerning the nature and extent of workforce development in the context of North Dakota's economic development needs, and identify ways to meet these needs effectively while maximizing the efficient use of available resources and avoiding unnecessary duplication of effort. Two of the Council's main areas of focus are earlier and more diverse career exploration and addressing the technical skills gap to prepare North Dakota students for in-demand jobs in the state.

Career and technical education opportunities are amplified when provided through CTE centers as these facilities employ instructors with advanced subject matter expertise, supply specialized tools and equipment, leverage relationships with employers, and may provide career preparation experiences not typically accessible within a standard K-12 building. The Council has long endorsed CTE centers as they not only provide hands-on career exploration, they provide skilled workforce training, which helps many students determine and prepare for their post-graduation pathway. 60% of North Dakota's labor market is comprised of jobs that require more than a high school education, but less

than a four-year degree. In fact, 50% of the jobs that are currently available in the state fall into this category. Students can begin training for many of these jobs at CTE centers while still in high school, which could expedite their path to the workforce, especially when dual credit opportunities are available.

Finally, employer involvement is crucial in career and technical education. Interaction between employers and students is often based on relationships that teachers or administrators might have with a business leader in their community, which may make equity in opportunity a challenge. CTE centers can streamline communication and connections between employers and students from multiple school districts, which expands an employer's reach and exposes more students to industry expertise, and local work-based learning experiences such as job shadows and internships.

The state continues to make tremendous investments in economic development, which is North Dakota's vehicle to success; but workforce development is the fuel and our investments in this area need to start with our youngest learners, so that when they're ready for the workforce, pursuing high demand jobs in North Dakota will be their first choice.

Thank you for the opportunity to testify today. I am happy to answer any questions you may have.