



### **Testimony on HB 3826**

House Higher Education and Workforce Development Committee

March 20, 2025

Chair Hudson, Vice-Chairs Fragala and Harbick, and members of the Committee. My name is Kyle Thomas, and I am the Director of Legislative and Policy Affairs for the Higher Education Coordinating Commission (HECC). Thank you for the opportunity to submit testimony on HB 3826.

HECC has no position on the bill but is requesting an amendment to delete the language in Section 4 of the bill requiring HECC to distribute funds to the workforce boards within 60 days of the receipt of those funds due to administrative challenges it creates.

As HECC has indicated in prior related testimony this session on HB 3634 and HB 3669, requiring the allocation of funds quickly after the commencement of a new biennium creates significant administrative strain for the agency, and meeting such requirements may not be achievable owing to other existing statutory mandates, as well as centralization across the state enterprise of functions related to procurement, hiring, and legal review of contracts. These processes create timelines the agency cannot control.

HECC also notes that the typical manner of funds allocation to grantees is on a reimbursement basis, providing the state with assurance of services being performed prior to awarding funds. While HECC does not in any way doubt the quality of service provided by local workforce boards, requiring funds to be issued up front leaves the agency without an important tool necessary to ensure contractual obligations are met.

Lastly, this language, if adopted, could potentially serve as a model for other grantees to include in future legislation, which would cause considerable issues for the agency in meeting funds allocation timelines while ensuring staff, policy, and proper agreements are in place prior to awarding funds across a multitude of programs.

Thank you for your consideration of this request.