



Testimony on HB 3634

House Higher Education and Workforce Development Committee

March 4, 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 3634.

HECC has no position on the bill, but is requesting an amendment to delete Section 2 of the bill due to administrative challenges it creates.

Section 2 requires HECC to distribute funds to local workforce boards within 90 days of the effective date of the bill, which contains an emergency clause making it immediately effective. Depending on the date of passage, this bill may become law several weeks prior to the adoption of a final biennial budget. Further, at the beginning of every biennium, there are budget auditing processes that result in delays between the passage of the budget and the receipt of funds.

In addition, the bill anticipates some policymaking and rulemaking needs. In executing rulemaking, HECC is bound by the state Administrative Procedures Act, which enforces public participation and notification requirements that require certain notice periods. As a commission-run entity, HECC rules also require a Commission vote in order to be codified. While HECC can adopt emergency temporary rules, the agency is reluctant to do so unless a true urgency exists, as they sharply reduce transparency.

Further, the process of drafting and executing grant agreements involves the Department of Justice and the Department of Administrative Services, and agreements related to this bill, even if promptly submitted, will sit in the queue of these agencies. Grant agreements also require negotiation with and the agreement of multiple parties, and this process can take time to ensure that all needs are met.

Finally, HECC anticipates a potential need for additional staff resources to administer the bill, and may not have the human resources required to begin implementing this bill on its effective date.

While we appreciate the desire to get the funds out the door quickly, and generally believe our procurement practices are run as expediently as possible while executing all appropriate policy and legal due diligence, this would be a relatively extraordinary requirement amongst the myriad line-item funding initiatives HECC is tasked with each biennium, and reduces the flexibility of the agency to meet all new legal and program requirements effective at the start of a biennium.

Thank you for your consideration of this request.