
The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jerry J. Guillot.

DIGEST

Alario (SB 526)

Proposed law creates the "Workforce and Innovation for a Stronger Economy Fund," hereinafter "fund," within the state treasury as a special fund for the purpose of funding degree and certificate production and research productivity in high demand fields through programs offered by Louisiana's public higher education institutions to meet the state's current and future workforce needs. Provides that monies in the fund shall be invested in the same manner as monies in the general fund. Provides that interest earned on investment of monies in the fund shall be credited to the fund and that unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund.

Directs the state treasurer to deposit into the fund at the beginning of each fiscal year no less than \$40 million. Provides that monies in the fund shall be appropriated and administered as provided in proposed law.

Provides that monies in the fund shall be appropriated to the Board of Regents (board) to be distributed and used in accordance with a statewide workforce demand and gap analysis to be developed and provided in proposed law. Provides that funding shall only be distributed by the board upon receipt of certification by the management board on behalf of the receiving institution that a match no less than 25% of the amount to be distributed has been guaranteed by a private non-state or non-federal entity. Provides that the certification shall detail the type of private match to be provided, which shall include cash, in-kind donation of technology, construction materials, facility modification or construction, internships, scholarships, sponsorship of staff or faculty, endowed faculty or tangible property. However, the Workforce and Innovation for a Stronger Economy Fund Strategic Planning (WISE) Council may waive this requirements of proposed law to allow donation types not authorized by proposed law upon request of the system president.

Provides that funds allocated shall be expended towards the degree and certificate production and research productivity targets pursuant to the workforce demand and gap analysis produced by the WISE Council and according to implementation plans which shall be created by each system president.

Provides that the president-chancellor of the Louisiana State University System, president of the Southern University System, president of the University of Louisiana System, president of the Community and Technical College System, and the commissioner of higher education in consultation with the secretary of the Department of Economic Development (DED), executive director of the La. Workforce Commission (LWC), and the chairman of the La. Workforce Investment Council shall develop the distribution and allocation of monies in the fund in alignment with the statewide workforce demand and gap analysis.

Provides a method of distribution of funds based on:

- (1) Degree and certificate production in fields required for Four and Five Star Jobs, or its successor, as defined by the LWC and weighted by cost.
- (2) Federally funded research expenditures as defined by the National Science Foundation.

Establishes the WISE Council as an independent subcommittee of the Board of Regents comprised of the president-chancellor of Louisiana State University, the president of the Southern University System, the president of the University of Louisiana System, the president of the Community and Technical College System, the commissioner of higher education, the secretary of the DED, the executive director of the LWC, and the chairman of the La. Workforce Investment Council, or their successors. Provides that the council shall review and approve a statewide workforce demand and gap analysis which shall be approved by the board.

Provides that the statewide workforce and gap analysis shall include:

- (1) Statewide and regional degree and certificate production and research productivity targets based on an analysis of credential completion and workforce demand.
- (2) A prioritization of high demand degree and certificate production based on data provided by DED and the LWC.

Requires that the system presidents report annually to the WISE Council on progress towards degree and certificate and research productivity targets and implementation plans.

Requires that the statewide workforce demand and gap analysis, including any revisions, distribution of funds, and implementation plans be posted on the board website.

Authorizes the WISE Council to create policies and procedures for its own management but may meet no less than four times per year.

Requires that the board, on behalf of postsecondary education, provide annual reporting to the Senate Committee on Education, Senate Committee on Finance, the House Committee on Education, and the House Committee on Appropriation.

Authorizes the board to promulgate rules developed jointly and collaboratively by the commissioner of higher education and the system presidents for the administration of the fund and requires that prior to final adoption, the rules be approved by the WISE Council.

Provides that the fund is in addition to, and separate from, any monies appropriated or allocated to any postsecondary management board. Allocations from this fund shall not be included in the board funding formula calculation, nor shall it supplant any allocations provided to institutions through the funding formula. Provides that the availability of the fund shall not in any way substitute, limit, or otherwise affect the allocation of any funds otherwise available to those institutions under state or federal laws.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 17:3138.2)