

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 102** SLS 17RS 311

Bill Text Version: **REENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

| | | |
|---|---------|-------------------------------|
| Date: May 16, 2017 | 3:51 PM | Author: JOHNS |
| Dept./Agy.: Higher Education | | |
| Subject: Creates the Louisiana Educational Workforce Training Fund | | Analyst: Willis Brewer |

FUNDS/FUNDING

RE SEE FISC NOTE SD EX See Note

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Creates and provides for Louisiana Educational Workforce Training Fund to provide opportunities for educational training in the Louisiana Community and Technical College System. (8/1/17)

Proposed law creates a fund in the Department of the Treasury which shall be known as the "Louisiana Educational Workforce Training Fund", hereinafter referred to as the "fund." Proposed law provides that the sources of money deposited into the fund shall be any monies received by the fund from federal appropriation, state appropriation, or public or private grants. Proposed law provides that after compliance with the requirements of the Bond Security and Redemption Fund, monies shall be deposited into the fund. Proposed law provides that funding shall be distributed by the Board of Supervisors of Community and Technical Colleges only upon receipt of certification that a match of not less than 20% of the amount of funding to be distributed has been guaranteed by a private entity. Proposed law provides that all federal appropriated Workforce Innovation and Opportunity Act funding shall be excluded from the fund and shall be exclusively administered by the La. Workforce Commission. Proposed law requires that monies in the fund be appropriated to the BOS of Community and Technical Colleges to be distributed to and used by Louisiana's public two-year, community, and technical colleges in accordance with an outcome-based funding model to be developed by the Board of Supervisors of Community and Technical Colleges. Requires annual report to Education committees 60 days prior to session.

| EXPENDITURES | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | | | | | | |

| REVENUES | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 5 -YEAR TOTAL |
|---------------------|----------------|----------------|----------------|----------------|----------------|----------------------|
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
| Annual Total | | | | | | |

EXPENDITURE EXPLANATION

The proposed law creates the Louisiana Educational Workforce Training Fund to receive money from federal appropriation, state appropriation, or public or private grants. An outcome-based funding model will have to be developed by LCTCS to distribute the monies in this fund. This outcome-based funding model is required to be based on the local workforce demand by including completers of short-term, high-demand workforce training programs that lead to industry-based certifications.

REVENUE EXPLANATION

The proposed law creates the Louisiana Educational Workforce Training Fund to receive money from federal appropriation, state appropriation, or public or private grants. To the extent funds are appropriated to the fund, the Board of Supervisors of Community and Technical Colleges will distribute only upon receipt of certification that a match of not less than 20% of the amount of funding to be distributed has been guaranteed by a private entity.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director