EXPENDITURE EXPLANATION

The proposed legislation would allow the LDE to utilize up to 3% of funding available for the program for costs associated with administering the program. For illustrative purposes, if the legislature appropriates $125,000 for the program, the LDE may utilize up to $3,750 to reimburse existing staff for a portion of the time spent on administering such funds, and the remaining $121,250 for scholarships. To the extent the LDE is able to absorb any administrative costs with existing staff (estimated at 4%, or roughly equivalent to two-weeks of staff time for one position), administrative costs may be less or nonexistent. If funding for the program becomes significant, the LDE may require a full-time position at that time.

Creating a new statutory dedication within the state treasury will result in a marginal workload increase for the Department of Treasury, which can generally be absorbed within existing resources. However, to the extent other legislative instruments create new statutory dedications, there may be material additional costs associated with the aggregate effort to administer these funds. The Treasury performs fund accounting, financial reporting, banking and other custodial functions for 436 special funds. When unable to absorb additional workload with existing resources, the Treasury anticipates it will be required to add one T.O. position at a total personnel services cost of approximately $73,000, plus approximately $2,450 for a one-time purchase of office equipment. These expenditures are assumed to be SGF in this fiscal note.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure. Proposed law creates the Geaux Teach Fund but does not provide a recurring source of revenues.