

2017 Regular Session

SENATE BILL NO. 102

BY SENATOR JOHNS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

FUNDS/FUNDING. Creates and provides for Louisiana Educational Workforce Training Fund to provide opportunities for educational training in the Louisiana Community and Technical College System. (gov sig)

1 AN ACT

2 To enact R.S. 17:1876, relative to the programs in the Louisiana Community and Technical
3 Colleges; to create the Louisiana Educational Workforce Training Fund; to provide
4 for the creation of a fund; to provide for purposes; to provide for sources of funding;
5 to provide for a private match; to provide for distribution of the fund; to provide for
6 the exclusion of certain funds; to provide for an effective date; and to provide for
7 related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 17:1876 is hereby amended and reenacted to read as follows:

10 **§1876. Louisiana Educational Workforce Training Fund; purpose; program**
11 **administration**

12 **A. There is hereby created in the state treasury, as a special fund, the**
13 **"Louisiana Educational Workforce Training Fund", hereinafter referred to as**
14 **the "fund".**

15 **B.(1) The purpose of the fund shall be to provide funding for degree and**
16 **certificate production through workforce training programs offered by**
17 **Louisiana's public two-year, community, and technical colleges.**

1 (2) The fund shall be used to prepare Louisiana citizens, particularly
2 those who are underemployed or have no postsecondary training or credentials,
3 in high-wage, high-skill, and high-demand career fields.

4 C. After compliance with the requirements of Article VII, Section 9(B)
5 of the Constitution of Louisiana relative to the Bond Security and Redemption
6 Fund, monies received from public or private grants, federal appropriation, or
7 state appropriation shall be deposited into the fund. Monies in the fund shall be
8 invested in the same manner as monies in the general fund. Interest earned on
9 investment of monies in the fund shall be credited to the fund. Unexpended and
10 unencumbered monies in the fund at the end of the fiscal year shall remain in
11 the fund, following compliance with the requirements of Article VII, Section
12 9(B) of the Constitution of Louisiana.

13 D.(1) Subject to an annual appropriation by the legislature, monies in the
14 fund shall be appropriated to the Board of Supervisors of Community and
15 Technical Colleges to be used for workforce training programs to prepare
16 individuals for high-demand careers as defined by the Louisiana Workforce
17 Investment Council. Distribution of the monies in the fund shall be based on an
18 outcome-based distribution model. The distribution model shall allocate funds
19 based on short-term, high-demand workforce training completer programs that
20 lead to industry-based certifications or other credentials of value to employers.

21 (2) Funding shall be distributed by the Board of Supervisors of
22 Community and Technical Colleges only upon receipt of certification that a
23 match of not less than twenty percent of the amount of funding to be distributed
24 has been guaranteed by a private entity. The certification shall detail the type
25 of private match to be provided, which may include but is not limited to: cash;
26 in-kind donations of technology, personnel, construction materials, facility
27 modification, or tangible property; internships; scholarships; sponsorship of
28 staff or faculty; or faculty endowment.

29 (3) Any funds distributed to an institution that remain unexpended or

1 unencumbered at the end of the fiscal year shall be available for use in the
2 subsequent fiscal year by an institution pursuant to its implementation plan.

3 E. The fund is in addition to, and separate from, any monies
4 appropriated or allocated to any postsecondary education management board.
5 Allocations from this fund shall not be included in the Board of Regents'
6 funding formula calculation, nor shall it supplant any state general fund
7 allocation provided to institutions. The availability of the fund shall not in any
8 way substitute, limit, or otherwise affect the allocation of any funds otherwise
9 available to those institutions under state or federal laws.

10 F. Notwithstanding the provisions herein and pursuant to the provisions
11 of R.S. 23:34 and R.S. 23:1514, all federal appropriated Workforce Innovation
12 and Opportunity Act funding shall be excluded from the Louisiana Educational
13 Workforce Training Fund and shall be exclusively administered by the
14 Louisiana Workforce Commission.

15 G. Notwithstanding the provisions herein and pursuant to the provisions
16 of R.S. 23:1514, R.S. 23:1291.1, and R.S. 23:1377, all state appropriated
17 Incumbent Working Training Account funds, workers' compensation funds,
18 and Workers' Compensation Second Injury Fund funds shall be excluded from
19 the Louisiana Educational Workforce Training Fund and shall be exclusively
20 administered by the Louisiana Workforce Commission.

21 H. The Board of Supervisors of Community and Technical Colleges
22 shall, not less than sixty days before the legislature convenes for each regular
23 session, submit an annual report to the House Committee on Education and the
24 Senate Committee on Education. The report shall include, at a minimum,
25 information on any and all private matches provided for in Subsection E of this
26 Section, training programs funded, the number of students enrolled, the
27 number and type of credentials awarded, and the number and amount of
28 scholarships.

29 Section 2. This Act shall become effective upon signature by the governor or, if not

1 signed by the governor, upon expiration of the time for bills to become law without signature
 2 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 3 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 4 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Carla S. Roberts.

DIGEST

SB 102 Engrossed 2017 Regular Session Johns

Proposed law creates as a special fund in the state treasury, the "Louisiana Educational Workforce Training Fund", hereinafter referred to as the "fund".

Proposed law provides that the purpose of the fund shall be to provide funding for degree and certificate production through workforce training programs offered by Louisiana's public two-year, community, and technical colleges.

Proposed law provides that the fund shall be used to prepare Louisiana citizens, particularly those who are underemployed or have no postsecondary training or credentials in high-wage, high-skill, and high-demand career fields.

Proposed law provides that after compliance with the requirements of the Bond Security and Redemption Fund, monies received from public or private grants, federal appropriation, or state appropriation, shall be deposited into the fund.

Proposed law requires that monies in the fund be invested in the same manner as monies in the general fund. Interest earned on investment of monies in the fund shall be credited to the fund, following compliance with the requirements of Art. VII, Sec. 9(B) of the La. Constitution. Proposed law provides that unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund.

Proposed law provides that, subject to an annual appropriation by the legislature, monies in the fund shall be appropriated to the Board of Supervisors of Community and Technical Colleges to be used for workforce training programs to prepare individuals for high-demand careers as defined by the La. Workforce Investment Council. Distribution of monies in the fund shall be based on an outcome-based funding distribution model. The distribution model shall allocate funds based on short-term, high-demand workforce training complete programs that lead to industry-based certifications or other credentials of value to employers.

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. The certification shall detail the type of private match to be provided, which may include but is not limited to: cash; in-kind donations of technology, personnel, construction materials, facility modification, or tangible property; internships; scholarships; sponsorship of staff or faculty; or faculty endowment.

Proposed law provides that any funds distributed to an institution that remain unexpended or unencumbered at the end of the fiscal year shall be available for use in the subsequent fiscal year by an institution pursuant to its implementation plan.

Proposed law provides that the fund is in addition to, and separate from, any monies appropriated or allocated to any postsecondary education management board. Allocations

from this fund shall not be included in the Board of Regents' funding formula calculation, nor shall it supplant any state general fund allocation provided to institutions. 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.

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 further provides that all state appropriated Incumbent Working Training Account funds, workers' compensation funds, and Workers' Compensation Second Injury Fund shall be excluded from the fund and shall be exclusively administered by the La. Workforce Commission.

Proposed law provides that the Board of Supervisors of Community and Technical Colleges shall, not less than sixty days before the legislature convenes for each regular session, submit an annual report to the House Committee on Education and the Senate Committee on Education. The report shall include, at a minimum, information on any and all private matches, training programs funded, the number of students enrolled, the number and type of credentials awarded, and the number and amount of scholarships.

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

(Adds R.S. 17:1876)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Finance to the original bill

1. Clarifies that the fund is created in the state treasury as a special fund.
2. Provides that distribution of the monies in the fund are to be based on an outcome-based distribution model, which shall allocate funds based on short-term, high-demand workforce training completer programs.
3. Excludes all federal Workforce Innovation and Opportunity act funding from the fund.
4. Excludes all state appropriated Incumbent Working Training Account funds, workers' compensation funds, and Workers' Compensation Second Injury Fund from the fund.
5. Technical changes.
6. Provides the effective date of the Act shall be upon signature of the governor.