

2017 Regular Session

HOUSE BILL NO. 184

BY REPRESENTATIVE ABRAHAM

FUNDS/FUNDING: Creates the Louisiana Jobs Now Fund for the purpose of funding postsecondary education degree and certificate production in high-demand fields

1 AN ACT

2 To enact R.S. 17:3138.7 and 3090, relative to special treasury funds; to establish the
3 Louisiana Jobs Now Fund as a special fund in the state treasury; to provide for
4 deposits into the fund; to provide for uses of the fund; to establish the Achieving a
5 Better Life Experience in Louisiana Fund as a special treasury fund; to provide for
6 deposits into and uses of the Achieving a Better Life Experience in Louisiana Fund;
7 to provide for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 17:3138.7 and 3090 are hereby enacted to read as follows:

10 §3138.7. Louisiana Jobs Now Fund

11 A.(1) The Louisiana Jobs Now Fund, hereinafter referred to in this Section
12 as the "fund", is hereby created within the state treasury as a special fund for the
13 purpose of funding degree and certificate production in high-demand fields through
14 programs offered by Louisiana's public postsecondary education institutions to meet
15 the state's current and future workforce needs.

16 (2) The state treasurer is authorized and directed to annually transfer an
17 amount equal to the amount of elementary and secondary school tuition income tax
18 deductions claimed by taxpayers, pursuant to R.S. 47:297.10, and the amount of
19 educational expenses income tax credits to taxpayers, pursuant to R.S. 47:297(D),

1 in the last calendar year for which the deductions and credits were available, not to
2 exceed thirty-four million dollars from the state general fund into the fund.

3 (3) Monies in the fund shall be invested in the same manner as monies in the
4 general fund. Interest earned on investment of monies in the fund shall be credited
5 to the fund. Unexpended and unencumbered monies in the fund at the end of the
6 fiscal year shall remain in the fund.

7 B.(1) Monies in the fund shall be appropriated to the postsecondary
8 education management boards to be distributed to and used by postsecondary
9 education institutions in accordance with the distribution methodology to be
10 developed as provided for in this Section.

11 (2) The funds distributed pursuant to this Section shall be used by the
12 institution towards degree production at public four-year universities in science,
13 technology, engineering, and math (STEM) programs and towards degree and
14 certificate production at public two-year, community, and technical colleges in fields
15 required for four-star or five-star jobs, as defined by the Louisiana Workforce
16 Commission's Louisiana Star Jobs program or its successors.

17 (3) Any funds distributed to an institution that remains unexpended or
18 unobligated at the end of the fiscal year shall be available for use in the subsequent
19 fiscal year by an institution pursuant to their implementation plan.

20 (4)(a) Funding shall be distributed by the postsecondary education
21 management boards only upon the certification by the postsecondary education
22 management board on behalf of the receiving public postsecondary education
23 institution that a match of no less than twenty-five percent of the amount of funding
24 to be distributed has been guaranteed by a private entity. The certification shall
25 detail the type of private match to be provided, which may include, but is not limited
26 to: cash; in-kind donations of technology, personnel, construction materials, facility
27 modification, or tangible property; internships; scholarships; sponsorship of staff
28 or faculty; or faculty endowment.

1 (b) In any fiscal year that the total appropriated funds from the sum of the
2 state general fund and dedicated funds for higher education are below the
3 appropriated funding in the prior fiscal year, the postsecondary education
4 management boards may, at their discretion, delay or waive requirements as set forth
5 in Subparagraph (a) of this Paragraph.

6 C. The methodology for distribution of funds shall be as follows:

7 (1) Fifty percent of funds shall be distributed to public four-year universities
8 based on each institution's prior year degree production in science, technology,
9 engineering, and math (STEM) programs.

10 (2) Fifty percent of funds shall be distributed to public two-year, community,
11 and technical colleges based on each institution's prior year degree and certificate
12 production in fields required for four-star or five-star jobs, as defined by the
13 Louisiana Workforce Commission's Louisiana Star Jobs program or its successors.

14 (3) The four postsecondary education system presidents shall annually
15 review and approve the distribution methodology, the list of degree and certificate
16 programs upon which the distribution is based, and the final distribution amounts.

17 D. The Board of Regents shall provide annual reporting to the Senate
18 Committee on Education, Senate Committee on Finance, the House Committee on
19 Education, and the House Committee on Appropriations. Such report shall include
20 the distribution methodology, the list of degree and certificate programs upon which
21 the distribution is based, the final distribution amounts, the number of jobs created
22 as a result of the distribution, and the methodology and data used to determine the
23 reported number of jobs created. The postsecondary education management boards
24 shall report to the Board of Regents the information necessary for the Board of
25 Regents to satisfy the requirements of this Subsection.

26 E. The fund is in addition to, and separate from, any monies appropriated or
27 allocated to any postsecondary education management board. Allocations from this
28 fund shall not be included in the Board of Regents' funding formula calculation, nor
29 shall it supplant any state general fund allocations provided to institutions. The

1 earned thereon is not public money and therefore is not subject to the requirements
 2 of Article VII, Section 9(B) of the constitution.

3 Section 2. This Act shall become effective on July 1, 2018, if the Act that originated
 4 as House Bill No. 202 of the 2017 Regular Session of the Legislature is enacted into law.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 184 Engrossed

2017 Regular Session

Abraham

Abstract: Creates the La. Jobs Now Fund and the Achieving a Better Life Experience in Louisiana Fund provides for deposits and uses of the funds.

Proposed law creates the La. Jobs Now Fund (the fund) for the purpose of funding degree and certificate production in high-demand fields through programs offered by La.'s public postsecondary education institutions to meet the state's current and future workforce needs.

The state treasurer is required to annually transfer an amount equal to the elementary and secondary school tuition income tax deductions claimed by taxpayers, pursuant to present law, and the amount of educational expenses income tax credits to taxpayers, pursuant to present law, in the last calendar year for which the deductions and credits were available, not to exceed \$34 million from the state general fund into the fund.

Proposed law requires monies in the fund shall be appropriated to the postsecondary education management boards to be distributed to and used by postsecondary education institutions towards degree production at public four-year universities in science, technology, engineering, and math (STEM) programs and towards degree and certificate production at public two-year, community, and technical colleges in fields required for four-star or five-star jobs, as defined by the La. Workforce Commission's La. Star Jobs program or its successors.

Proposed law provides for the methodology for distribution of funds as follows:

- (1) 50% percent to public four-year universities based on each institution's prior year degree production in science, technology, engineering, and math (STEM) programs.
- (2) 50% to public two-year, community, and technical colleges based on each institution's prior year degree and certificate production in fields required for four-star or five-star jobs, as defined by the La. Workforce Commission's La. Star Jobs program or its successors.

Proposed law requires the Board of Regents to provide annual reporting to certain legislative committees.

Proposed law creates the Achieving a Better Life Experience in Louisiana Fund (ABLE Fund) and provides for the deposit of the assets of the Louisiana Tuition Trust Authority reserved for the payment of the obligations of the authority pursuant to its agreements with ABLE program account owners into the fund.

Proposed law provides that money in the ABLE Fund shall be used for the ABLE program in present law including to assist individuals and families in saving private funds for the purpose of supporting persons with disabilities.

Effective July 1, 2018, if the Act that originated as HB 202 of the 2017 R.S. is enacted.

(Adds R.S. 17:3138.7 and 3090)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Appropriations to the original bill:

1. Change the deposits into the La. Jobs Now Fund from \$34 million state general fund to an amount equal to certain school and education tax deductions and tax credits, in the last calendar year for which the deductions and credits were available, not to exceed \$34 million state general fund.
2. Change the match requirement for distribution of the La. Jobs Now Fund from 20% to 25%.
3. Change the entity responsible for reporting to the legislature regarding the La. Jobs Now Fund from the post secondary education management boards to the Board of Regents.
4. Add to the information required to be reported to the legislature the final distribution amounts, the number of jobs created as a result of the distribution, and the methodology and data used to determine the reported number of jobs created.
5. Create the Achieving a Better Life Experience in Louisiana Fund.
6. Change the effective date from July 1, 2017, to July 1, 2018, if the Act that originated as HB 202 of the 2017 R.S. is enacted.