

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 144** HLS 18RS 320

Bill Text Version: **RE-REENGROSSED**

Opp. Chamb. Action: **w/ SEN COMM AMD**

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 12, 2018	9:59 AM	<b>Author:</b> ABRAHAM
<b>Dept./Agy.:</b> Higher Education		<b>Analyst:</b> Willis Brewer
<b>Subject:</b> Creates the Louisiana Jobs Now Fund		

FUNDS/FUNDING

RR1 SEE FISC NOTE SD EX See Note

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Creates the Louisiana Jobs Now Fund for the purpose of funding postsecondary education degree and certificate production in

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. Proposed law requires monies in the fund to be appropriated to the Board of Regents to be distributed to and used by public, postsecondary education institutions towards degree production at four-year universities in science, technology, engineering, and math (STEM) programs and towards degree and certificate production at 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. Proposed law requires prior to distribution certification by the receiving institution that a match of no less than 25% of the funding is guaranteed by a private entity. Proposed law provides for the distribution of funds as 50% to public four-year universities (including LSU medical schools) based on each institution's prior year degree production in STEM programs and 50% to 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. Proposed law requires the Board of Regents to provide annual reporting to certain legislative committees. Proposed law further provides for the report to contain information such as final distribution amounts and the number of jobs created. Proposed law prohibits monies from the fund supplanting any state general fund allocations provided to institutions.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						

  

<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
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Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

The proposed legislation will have no impact on state expenditures. This measure merely creates a new fund (Louisiana Jobs Now Fund) to receive donations and/or any appropriated funds, but does not provide a recurring revenue source. To the extent funding is deposited or appropriated into the new fund, the Commissioner of Higher Education and the four postsecondary systems presidents will develop the distribution method and the Board of Regents (BOR) will report the methodology and distribution to the House and Senate Education committees, Senate Finance, and Appropriations. The LFO anticipates any costs incurred by the boards for meetings can be absorbed within their current budget.

**REVENUE EXPLANATION**

The proposed legislation will have no impact on revenues. This measure does not provide a recurring revenue source for the fund. The dollars appropriated to this fund will be separate from any other monies appropriated and will be excluded from the Outcome Based Funding Formula. To the extent the fund receives an appropriation, the management boards must certify a 25% private match has been guaranteed by the receiving institution. These matching private funds can be donated to the institutions' foundations. However, to the extent these funds are donated to the institution, the institutions' self-generated revenues are anticipated to increase as a result.

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*  


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**Evan Brasseaux**  
**Staff Director**