



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **SB 293** SLS 24RS 504
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | | |
|--|---------|-----------------------------|
| Date: April 3, 2024 | 2:09 PM | Author: EDMONDS |
| Dept./Agy.: Louisiana Workforce Commission | | Analyst: Noah O'Dell |
| Subject: Workforce Solutions, Development, and Coordination | | |

WORKFORCE DEVELOPMENT EG SEE FISC NOTE Page 1 of 2
 Provides primary point of contact for workforce solutions. (8/1/24)

Current law establishes Louisiana's Foundational Integrated Research System for Transformation (LA FIRST) at the Blanco Center at the University of Louisiana at Lafayette, provides for mandated data-sharing between LA FIRST and several state agencies, and sets forth three annual reports to be developed and published.

Proposed law retains current law and directs LA FIRST to generate ad-hoc reports when requested by any state entity, after explicit approval from the agency providing the data and presumably agreement upon a negotiated fee. Proposed law directs the Louisiana Workforce Commission (LWC) to coordinate the delivery of business workforce solutions through the various workforce, education and economic development agencies at the state and, at times, local level. Specified agencies & state entities are required to recommend initiatives and programs promoting workforce development. LWC is required to annually determine the entities responsible for convening the state's industrial sectors with the greatest demand shortages to address solutions to the top three industries' shortages. The collaboration is required to provide educational attainment data to ensure 60% of adults possess a secondary degree or trade certificate by 2030, offer a plan to address and improve workforce needs, and submit the plan and progress annually to the legislature and governor.

| EXPENDITURES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
|---------------------|------------------|------------------|------------------|------------------|------------------|---------------|
| State Gen. Fd. | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | SEE BELOW | |
| 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 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | | | | | | |
| REVENUES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of the coordination through LWC required by this measure. The Legislative Fiscal Office (LFO) anticipates the coordination and specifications of the bill can be achieved within the existing budgets of the participating agencies and institutions. Additional costs associated with the measure, if any, could potentially be absorbed within the respective budgets.

The proposed law adds a mandate for LA FIRST to provide adhoc reports requested from any state agency or entity, presumably for a negotiated fee and after obtaining permission from the agency providing the original data. The LFO cannot determine whether the current year appropriation for ULL and, ultimately LA FIRST, is expected to recur in the same amount and, thus, whether certain ad hoc reporting provided to the state entity by LA FIRST could possibly be administered within the cost confines of the existing LA FIRST budget. It is expected that the more extensive requests could require additional funds, though it is not clear whether currently authorized staffing levels may be able to absorb additional workloads for smaller requests. LA FIRST indicates that requests have the potential to cost a few thousand dollars for a simple request up to \$100,000 or more for an extensive report. Actual expenses will be negotiated depending on the scope of the request. The aggregate impact will also depend on the number of reports, which is purely speculative at this time.

LA FIRST was created in Act 394 of the 23RS with a FY 24 appropriation of \$2 M SGF in the UL operating budget to accommodate initial costs and recurring expenses related to a staff of 14. The program was mandated to receive state data through data-sharing agreements with LA Workforce Commission, Dept. of Children and Family Services, Dept. of Public Safety and Corrections, Office of Juvenile Justice, LA Dept. of Health, and the Dept. of Education, all coordinated through OTS and to initiate data sharing agreements with each public postsecondary education management board no later than December 1, 2023. Per Act 394, LA FIRST mandates the development and publication of three annual reports (see page 2).

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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}

Deborah Vivien
Chief Economist



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CONTINUED EXPLANATION from page one:

The three mandated reports to be provided by LA FIRST are:

1. Launch Louisiana report with an in-depth analysis of the elementary-and-secondary-school-to-college or -career transition.
2. Louisiana's Employment Outcomes report with an in-depth analysis of linkages between workforce, credit and noncredit, and postsecondary training and education.
3. Causes and Consequences of Criminal and Delinquent Acts report with an in-depth analysis of the criminal justice system leveraging linkages between education, employment, adult corrections, and juvenile justice.

Senate Dual Referral Rules

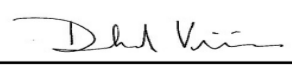
13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

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