

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 250** HLS 15RS 415

Bill Text Version: **ENGROSSED**

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

Proposed Amd.:

Sub. Bill For.:

Date: May 27, 2015	2:06 PM	Author: LEGER
Dept./Agy.: LA Community & Technical College System		Analyst: Patrice Thomas
Subject: Donations into the Workforce Training Rapid Response Fund		

FUNDS/FUNDING EG1 INCREASE SG RV See Note Page 1 of 1
 Authorizes additional deposits into the Workforce Training Rapid Response Fund and requires a private match for the use of the additional deposits

Proposed law authorizes money from other sources, such as donations, to be deposited in and credited to the Workforce Training Rapid Response Fund and not counted towards the unencumbered annual fund balance of \$10 M. Under the proposed law, the Board of Supervisors of the LA Community & Technical College System (LCTCS) are prohibited from distributing these other sources of funds to a community/technical college unless the management board of that community/technical college certifies to the LA Workforce Commission, Dept. of Economic Development, commissioner of higher education, the LA Workforce Investment Council, and LCTCS that a private entity guarantees a private match (which must be appraised) of no less than 25% of the amount distributed. Proposed law applies only to distribution of additional funds above the \$10 M annual fund balance. Proposed law specifies that an in-kind match may include cash, in-kind donations of technology, personnel, construction materials, facility modification, or tangible property; internships; scholarships; sponsorship of staff or faculty; or faculty endowment.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation may result in an indeterminable increase in Statutory Dedications funds from the Workforce Training Rapid Response Fund in FY 16 within the LA Community & Technical College System (LCTCS). The proposed legislation does not impact the existing \$10 M annual appropriation from the Workforce Training Rapid Response Fund to 2-year community/technical colleges for high-demand, high-cost training programs. This proposed legislation authorizes additional expenditures of funds deposited into the Workforce Training Rapid Response Fund only if 25% of private match funds have been guaranteed by the private entity and certified by LCTCS. Any additional funds authorized under this measure would continue to be utilized in high-demand, high-cost training programs.

REVENUE EXPLANATION

The proposed legislation may result in additional annual deposits into the Workforce Training Rapid Response Fund above the required \$10 M. Additional revenues include donations, appropriations or dedications. Any additional funds from the Workforce Training Rapid Response Fund shall be distributed to 2-year community/technical colleges for high-demand, high-cost training programs. The Legislative Fiscal Office (LFO) cannot anticipate the amount of additional revenue that may be deposited into the Workforce Training Rapid Response Fund.

- | | | | |
|---|----------------------------|--------------|--|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 Rev. Red. to State {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux

Evan Brasseaux
Staff Director