

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>17-5300/1</b>	<b>Introduction Number</b> <b>SB-746</b>
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**Description**  
 career and technical education incentive grants for school districts and completion awards for students and making an appropriation

**Fiscal Effect**

**State:**

- |                                                               |                                                     |                                                                                                                                                        |
|---------------------------------------------------------------|-----------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> No State Fiscal Effect               | <input type="checkbox"/> Increase Existing Revenues | <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget<br><input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input checked="" type="checkbox"/> Indeterminate             | <input type="checkbox"/> Decrease Existing Revenues |                                                                                                                                                        |
| <input type="checkbox"/> Increase Existing Appropriations     |                                                     | <input type="checkbox"/> Decrease Costs                                                                                                                |
| <input type="checkbox"/> Decrease Existing Appropriations     |                                                     |                                                                                                                                                        |
| <input checked="" type="checkbox"/> Create New Appropriations |                                                     |                                                                                                                                                        |

**Local:**

- |                                                                        |                                                                        |                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------|------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> No Local Government Costs                     |                                                                        |                                                                                                                                                                                                                                                                                                                            |
| <input checked="" type="checkbox"/> Indeterminate                      |                                                                        |                                                                                                                                                                                                                                                                                                                            |
| 1. <input type="checkbox"/> Increase Costs                             | 3. <input type="checkbox"/> Increase Revenue                           | <b>5. Types of Local Government Units Affected</b><br><input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities<br><input type="checkbox"/> Counties <input type="checkbox"/> Others<br><input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |                                                                                                                                                                                                                                                                                                                            |
| 2. <input type="checkbox"/> Decrease Costs                             | 4. <input type="checkbox"/> Decrease Revenue                           |                                                                                                                                                                                                                                                                                                                            |
| <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory |                                                                                                                                                                                                                                                                                                                            |
|                                                                        |                                                                        |                                                                                                                                                                                                                                                                                                                            |

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	Amend 20.455 (1) (b) and create 20.445 (1) (c)

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DPI/ Grant Huber (608) 266-2003	Erin Fath (608) 266-2804	1/29/2018

## Fiscal Estimate Narratives

DPI 1/29/2018

LRB Number	17-5300/1	Introduction Number	SB-746	Estimate Type	Original
<b>Description</b> career and technical education incentive grants for school districts and completion awards for students and making an appropriation					

### Assumptions Used in Arriving at Fiscal Estimate

This bill expands the current law incentive grant program for school districts that provide training for certain industry-recognized certifications, to include public safety occupations. The bill also provides completion awards for students who complete those programs.

Under current law, the Department of Workforce Development must award career and technical education (CTE) incentive grants to school districts in the amount of \$1,000 per student who, in the prior school year, obtained a high school diploma and successfully completed an industry-recognized certification program approved by DWD. Currently, DWD approves programs that are designed to mitigate workforce shortages in an industry or occupation that DWD identifies as facing workforce shortages or shortages of adequately trained entry-level workers.

The bill requires DWD to also approve industry-recognized certification programs that are designed to prepare individuals for occupations as fire fighters, emergency medical responders, or emergency medical services practitioners (public safety occupation training program). Under the bill, DWD must award all of the following:

1. A CTE incentive grant to a school district that has a public safety occupation training program approved by DWD. For each program the school district has, the amount of the incentive grant is equal to \$1,000 for each student in the school district who successfully completed the program in a school year in which the program was approved by DWD.
2. A CTE completion award to a student in the amount of \$500 for each public safety occupation training program the student successfully completed in a school year in which the program was approved by DWD.

Under current law, CTE incentive grants are funded from the appropriation to DWD for workplace training grants, commonly referred to as "Fast Forward" grants, and DWD must allocate not less than \$3,500,000 in each fiscal year for the CTE incentive grants. Also under current law, if the amount allocated in any fiscal year is insufficient to pay the full amount per student, DWD must prorate the amount of the incentive grants that eligible school districts receive.

Under the bill, the CTE incentive grants related to public safety occupation training programs are paid from the existing allocation and must be prorated if that allocation is insufficient in any fiscal year. The bill creates a sum sufficient appropriation to fund the student completion awards.

Local: Indeterminate- Since it is unknown how many students would pursue these new industry-recognized certificates or the number of schools districts that will offer these programs, the cost is indeterminate.

State: Indeterminate- It is unknown how many pupils will pursue student completion awards which are to be funded by a sum-sufficient GPR appropriation. It is also unknown how many additional industry-recognized certification programs related to public safety occupation training programs would be created or the number of students who will successfully complete them in a given school year. Thus, the fiscal effect is indeterminate.

Should the number of CTE incentive award grants increase as a result of this legislation, it is unknown whether this would result in smaller awards due to proration or whether DWD would exceed the \$3,500,000 minimum level required by current law (from Fast Forward appropriation) in order to meet future increases in awards and/or to minimize the level of proration.

### **Long-Range Fiscal Implications**

It is anticipated that costs for this program will increase over time due to a number of factors. For example, the number of eligible claims could potentially grow due to an the number of students seeking certificates in occupational areas related to public safety or other new certified programs that may be added in the future. Furthermore, increases in the number of approved certificate programs offered by school districts in future years may provide more opportunities for students to earn industry-recognized certificates.

However, it is not possible to predict the level of those future changes so the long-range fiscal impact is indeterminate.