

Fiscal Estimate Narratives

DWD 2/8/2019

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| LRB Number | 19-0206/1 | Introduction Number | SB-017 | Estimate Type | Original |
| Description workforce training grants for seminars in high-demand fields to teach new skills and provide micro-credentials and making an appropriation | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

This bill allows the Department of Workforce Development (DWD) to award grants to nonprofit organizations and institutions of higher education in high-demand fields for the purpose of upskilling unemployed and underemployed workers in this state and providing micro-credentials to such individuals. The bill defines "upskilling" as the process of teaching new skills and a "micro-credential" as a stand-alone education product that certifies the achievement of a set of skills and knowledge required by an industry or a professional association.

The bill establishes a new grant program to be developed and administered by DWD and provides \$1.0 million in funding each year for a two-year period (fiscal years 2019-20 and 2020-21) in a new appropriation at s. 20.445(1) (bb) that sunsets on June 30, 2021. Based on previous DWD experience with new program implementation there are start-up costs associated with development of program parameters and technical guidance, initial application solicitations, outreach and support, review of submissions and awarding of grants, as well as compliance monitoring. DWD estimates that 2080 hours of additional staff capacity will be needed during the start-up of this program. One-time costs include two Limited term Employees (LTEs) to staff the needed development effort for a total cost of \$67,200 for salary and fringe, with an hourly wage \$30.00/hour and fringe at 7.65%, plus \$24,600 for other operations costs such as rent, computer, internet/phone, supplies and administrative support services. Other anticipated program costs such as labor market analysis, IT system integration, and accounts payable can be absorbed within the agency budget plan.

Long-Range Fiscal Implications