

# FISCAL NOTE

**Bill #:** SB0322

**Title:** Natural resource worker education and retraining

**Primary Sponsor:** Debbie Shea

**Status:** As Amended by the Free Conference Committee

---

|                   |      |                                 |      |
|-------------------|------|---------------------------------|------|
| Sponsor signature | Date | Chuck Swysgood, Budget Director | Date |
|-------------------|------|---------------------------------|------|

---

## Fiscal Summary

|   | <u>FY2002<br/>Difference</u> | <u>FY2003<br/>Difference</u> |
|---|------------------------------|------------------------------|
| <b>Expenditures:</b>                                  |                              |                              |
| State Special Revenue                                 | 0                            | 150,000                      |
| <b>Revenue:</b>                                       |                              |                              |
| State Special Revenue                                 |                              |                              |
| Orphan Share Account                                  | 0                            | (150,000)                    |
| Natural resource workers' tuition scholarship account | 0                            | 150,000                      |
| <b>Net Impact on General Fund Balance:</b>            | <b>0</b>                     | <b>0</b>                     |

---

| <u>Yes</u> | <u>No</u> |                                  | <u>Yes</u> | <u>No</u> |                               |
|------------|-----------|----------------------------------|------------|-----------|-------------------------------|
|            | X         | Significant Local Gov. Impact    |            | X         | Technical Concerns            |
|            | X         | Included in the Executive Budget |            | X         | Significant Long-Term Impacts |
|            | X         | Dedicated Revenue Form Attached  |            | X         | Family Impact Form Attached   |

---

## Fiscal Analysis

### ASSUMPTIONS:

1. The Revenue and Taxation Committee estimates for the resource indemnity trust (RIT) revenues are used, showing that the RIT trust fund will reach \$100 million after June 30, 2001, which is in FY 2002.
2. The allocation of the resource indemnity groundwater assessment (RIGWA) tax is only affected after the trust fund reaches \$100 million. At that time, RIGWA taxes will be allocated as follows starting in FY 2003: \$366,000 to the ground water assessment account, 50 percent of the remaining proceeds to the reclamation and development account, \$150,000 to the new scholarship account for up to five years, and the remaining proceeds to the orphan share account.
3. As amended by the Free Conference Committee, private donations and grants also will be deposited in the state special revenue account and are to be spent first. Beginning in FY 2004, the amount of RIGWA taxes allocated to the scholarship account will be only the amount necessary to restore the balance to \$150,000 each year.

**Department of Labor and Industry**

4. The department will administer the program with 0.25 FTE. Responsibilities include preparing and adopting rules, developing applications for natural resource workers, administering the program through job services offices, developing a formula for pro-ration of scholarships, and distributing funds to the appropriate colleges and universities, or to the OPI for students seeking a GED. Each year the DOLI will receive a report from each school district, community or tribal college, and unit of the university system that received a tuition scholarship.

**Office of Public Instruction**

5. OPI will distribute funds to school districts and institutions that provide an approved general educational development equivalency diploma program. Program and book allowances are projected at \$5,000.

FISCAL IMPACT:

| <b>Dept. of Labor &amp; Industry, Pgm 01</b> | <u>FY2002<br/>Difference</u> | <u>FY2003<br/>Difference</u> |
|--|------------------------------|------------------------------|
| FTE  | 0                            | 0.25                         |
| <u>Expenditures:</u>                         |                              |                              |
| Personal Services                            | 0                            | 13,500                       |
| Operating Expenses                           | 0                            | 2,263                        |
| Transfer to OPI                              | 0                            | 5,000                        |
| Transfers to Schools                         | <u>0</u>                     | <u>129,237</u>               |
| TOTAL  | 0                            | 150,000                      |

Funding:

|                            |         |
|----------------------------|---------|
| State Special Revenue (02) | 150,000 |
|----------------------------|---------|

**Office of Public Instruction**

Expenditures:

|          |   |       |
|----------|---|-------|
| Benefits | 0 | 5,000 |
|----------|---|-------|

Funding:

|                                       |   |       |
|---------------------------------------|---|-------|
| SSR (02) Estimated transfer from DOLI | 0 | 5,000 |
|---------------------------------------|---|-------|

Revenues:

|   |   |           |
|---|---|-----------|
| State Special Revenue (02)                            |   |           |
| Orphan Share Account                                  | 0 | (150,000) |
| Natural resource workers' tuition scholarship account | 0 | 150,000   |

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Unemployed natural resource workers will have access to scholarships for a GED, training, certificate programs and two-year degree programs when they are not covered by specific federal grants for retraining.

LONG-RANGE IMPACTS:

The funding will continue for five years and the scholarships would continue through FY 2007, when the bill sunsets.