



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2009 Biennium

Bill # HB0655

Title: Establishing incumbent worker training program

Primary Sponsor: Branae, Gary

Status: As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2008 Difference</u>	<u>FY 2009 Difference</u>	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>
Expenditures:				
State Special Revenue	unknown	unknown	unknown	unknown
Revenue:				
State Special Revenue	unknown	unknown	unknown	unknown
Net Impact-General Fund Balance	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of Fiscal Impact:

The fiscal impact is unknown. The Department of Labor & Industry has no basis for estimating the number of applications or dollar volume of grants to distribute by the mechanism established by the Incumbent Worker Training Act.

FISCAL ANALYSIS

Assumptions:

Department of Labor & Industry (DoLI)

1. Section 11 refers to 20-7-705, MCA, which allows local governments to issue voted mills (under the restrictions of 15-10-420, MCA) for this program. However, there is no mechanism to transfer the revenue to the state special revenue fund created by this bill. If there were a mechanism to transfer the revenue, it is unknown how many counties would institute this mill and therefore it is unknown how much revenue might be generated.
2. The Department of Labor and Industry (DoLI) presently has no basis upon which to estimate the amount of funds which will be available to distribute as grants.

3. The department presently has no basis upon which to estimate the number of grant applications which it will be required to process. The department assumes that the number of grant applications will vary with the level of funding, although not necessarily in a smooth or linear relationship.
4. Based on assumptions above, the department is unable to estimate the workload required to administer the Act, and whether that workload can be absorbed by existing department staff.
5. The department will be required to adopt rules on the topics specified in the Act even if there is no funding available to make grants to applicants.
6. A subcommittee of the State Workforce Investment Board (SWIB) will need to receive the state per diem for any meetings where they must meet to establish and review policies or handle appeals.
7. No funding is provided in the bill for developing the rules.

Technical Notes:

1. No source of funding for administration of the Act or for the payment of grants is identified in the bill.
2. It is unclear whether an applicant that disagrees with a department decision concerning the award or denial of a grant application is entitled, after exhausting the remedies provided in Section 8, is entitled to a contest case pursuant to Title 2, chapter 4, MCA, or if the provisions of Section 8 are intended to be the sole remedy for a grant applicant.
3. Given that there is no funding in the bill to award any grants to recipients, yet there are duties that would have to be carried out once the effective date of July 7, 2007 is reached, with or without funding, the bill should be contingent on a threshold amount of funding

Sponsor's Initials

Date

Budget Director's Initials

Date