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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/08/13

SPONSOR Stapleton LAST UPDATED 02/14/13 HB 436

SHORT TITLE Albuquerque Job Skills Training SB \_\_\_\_\_

ANALYST Pahl

### APPROPRIATION (dollars in thousands)

| Appropriation |         | Recurring<br>or Nonrecurring | Fund<br>Affected |
|---------------|---------|------------------------------|------------------|
| FY13          | FY14    |                              |                  |
|               | \$250.0 | Recurring                    | General Fund     |

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)

Children, Youth and Families Department (CYFD)

### SUMMARY

#### Synopsis of Bill

House Bill 436 appropriates \$250 thousand from the general fund to the DFA for job skills training in southeast Albuquerque to increase the size of the work force and create new job opportunities.

### FISCAL IMPLICATIONS

HB 436 spends \$250 thousand from the general fund for expenditure in FY14. Any unexpended or unencumbered funds remaining at the end of FY14 shall revert to the general fund.

### SIGNIFICANT ISSUES

DFA stated the Department of Workforce Solutions and the Economic Development Department have more experience and expertise in administering job training programs.

**PERFORMANCE IMPLICATIONS**

DFA noted that parts of southeast Albuquerque have significant immigrant populations and other individuals who could benefit from job skills training. However, for job training to be successful, it is important for a project to be coordinated with local employers' needs and offer skills and/or credentials that are in demand in the local economy and are likely to result in a increase in earnings for participants.

**ADMINISTRATIVE IMPLICATIONS**

The designated fiscal agent will be Bernalillo County and administrative oversight is requested to be provided by DFA's Local Government Division. This would add to the Local Government Division's workload.

Bernalillo County would be required to follow procurement code in order to procure the services for job skills training.

**ALTERNATIVES**

Funding could be provided to state agencies with more experience and expertise in administering job training programs, such as the Department of Workforce Solutions or the Economic Development Department.

MMP/blm