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FISCAL IMPACT REPORT

SPONSOR: Heaton DATE TYPED: 3/4/03 HB 24/aHBIC

SHORT TITLE: Amend Development Training Program SB _____

ANALYST: Collard

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
		See Narrative	\$150.0	Recurring	OSF

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 8 and House Bill 15

SOURCES OF INFORMATION

Responses Received From
Economic Development Department

SUMMARY

Synopsis of HBIC Amendment

The House Business and Industry Committee amends House Bill 24 to state that no more than ten percent of the payments for training hours are for part-time positions.

Synopsis of Original Bill

House Bill 24 amends the Industrial Development Training Program for the purpose of using training funds for part-time employees and to provide for training funds for full-time-equivalent employees.

Significant Issues

The Industrial Development Training Program (IDTP) currently offers funding for full-time employees because companies offer benefits to those positions. In most cases, benefits are not offered to part-time employees. The Economic Development Department is concerned that more companies will opt to hire part-time positions, rather than full-time positions, because of the

benefits. Therefore, if enacted, the IDTP board would enact a policy to require that benefits be offered to part-time employees in order to qualify for training monies.

FISCAL IMPLICATIONS

There is no appropriation associated with this bill. However, if it is enacted, IDTP will request \$150.0 for administrative costs.

ADMINISTRATIVE IMPLICATIONS

The Economic Development Department indicates administrative responsibilities would increase due to the number of part-time employees the department would have to track.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill is related to House Bill 8 and House Bill 15, both of which appropriate general fund dollars to the IDTP program, more commonly known as in-plant training.

POSSIBLE QUESTIONS

1. What are the benefits and downfalls of incorporating part-time employees in the IDTP program?
2. Does the department feel strongly about incorporating part-time employees in the program ?

KBC/njw:yr