

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 689

## STATE OF NEW JERSEY 219th LEGISLATURE

DATED: FEBRUARY 11, 2020

### SUMMARY

**Synopsis:** Concerns NJ PLACE, allocates \$300,000 in FY2020.

**Type of Impact:** Revenue and Expenditure Increases to Institutions of Higher Education.

**Agencies Affected:** Institutions of Higher Education.

### Office of Legislative Services Estimate

| Fiscal Impact                                                            |               |
|--------------------------------------------------------------------------|---------------|
| One-Year Revenue Increase to Institutions of Higher Education            | \$300,000     |
| Possible Annual Expenditure Increase to Institutions of Higher Education | Indeterminate |

- The Office of Legislative Services (OLS) notes that this bill will result in an increase of \$300,000 in revenue to institutions of higher education in FY 2020. The revenue increase would be associated with an additional Workforce Development Partnership Fund (WPDF) allocation through the New Jersey Pathways Leading Apprentices to a College Education (NJ PLACE) program to provide college credit towards degrees in connection with new and existing apprenticeship programs under NJ PLACE.
- The OLS also notes that the bill may result in an indeterminate annual increase in expenditures for institutions of higher education to establish and maintain the programs.
- The OLS further notes that the amount of revenue generated under the bill may partially, if not fully, offset the indeterminate increase in expenditures.

### BILL DESCRIPTION

This bill provides funding for the NJ PLACE program to establish college credit towards degrees in connection with new and existing apprenticeship programs, and directs consortia that

receive grants from the Youth Transitions to Work Partnership to use not less than 15 percent of the grants to establish, in collaboration with NJ PLACE, programs to provide linkages from apprenticeship to post-secondary education.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

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The OLS also notes that the bill may result in an indeterminate annual increase in expenditures for institutions of higher education to establish and maintain the programs. The OLS further notes that the amount of revenue generated under the bill may partially, if not fully, offset the indeterminate increase in expenditures.

For purposes of background, the department indicated in its response to FY 2016 OLS Discussion Points that \$1.3 million had been spent on NJ PLACE since its inception. While dedicated funding was not provided in FY 2015, the department indicated that the program remained active, utilizing staff of the State Employment and Training Commission, and that some of the articulation agreements between NJ PLACE program partners and community colleges remained in force, allowing apprenticeship graduates to use apprenticeship credits towards degrees specified in the agreements.

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*Analyst:* Juan C. Rodriguez  
Senior Fiscal Analyst  
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Legislative Budget and Finance Officer

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).