

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING SUPPORTIVE LEARNING ENVIRONMENTS FOR K-12 STUDENTS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Herod and Young
Sens. Priola and Winter

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Appropriation Items of Note

Appropriation Already Added to Bill, Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/04/22.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
XXX	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Finance Committee Report (05/06/22) includes amendments to the bill. Legislative Council Staff and JBC staff agree that these amendments increase the cost of the bill. In its current form, the bill prohibits the Department of Education from reporting individual student data for any purpose. This will require a change to how the Department reports data to the U.S. Department of Education and therefore adds information technology services costs estimated at \$67,500 General Fund.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.003	Staff-prepared appropriation amendment
L.022/J.004	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

Current Appropriations Clause in Bill

The bill includes an appropriation clause that provides an appropriation to the Department of Education of \$1,016,451 General Fund for FY 2022-23. This provision also states that the appropriation is based on the assumption that the Department will require an additional 2.4 FTE. The appropriation clause also provides an appropriation of \$30,000 cash funds from the P.O.S.T Board Cash Fund to the Department of Law for FY 2022-23.

Description of Amendments in This Packet

J.003 Staff has prepared amendment **J.003** (attached) to modify the existing appropriation clause to *increase* the appropriation to the Department of Education by \$67,500 General Fund to a total of \$1,083,951 General Fund for FY 2022-23. This change would align the appropriation with the cost of the bill as amended in the Senate Finance Committee Report.

L.022 and J.004

Bill Sponsor amendment **L.022** (attached): (1) clarifies that the Department may not *publicly* report individual student data; and (2) strikes Section 7 of the bill, which requires an additional appropriation of \$500,000 for the Expelled and At-risk Student Services Grant Program for FY 2022-23.

The addition of the word "publicly" eliminates the additional fiscal impact resulting from the Finance Committee Report, returning the fiscal impact of the bill to the amounts in the 05/04/22 Legislative Council Staff Revised Fiscal Note. Eliminating Section 7 of the bill reduces the amounts shown in the fiscal note by \$500,000 General Fund.

Amendment **J.004** (attached) modifies the appropriation clause in the reengrossed bill to strike the \$500,000 General Fund appropriation for the Expelled and At-Risk Student Services Grant Program. With this change, the appropriation clause provides a total appropriation to the Department of Education of \$516,451 General Fund for FY 2022-23 and includes an assumption that the Department will require an additional 2.4 FTE. The appropriation of \$30,000 cash funds from the P.O.S.T Board Cash Fund to the Department of Law for FY 2022-23 is unchanged.

The Committee may adopt J.003 OR the combination of L.022 and J.004 but should not adopt any other combination of amendments.

Points to Consider*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

HB22-1376

JBC Staff Analysis

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates an ongoing obligation and requires a General Fund appropriation of \$314,894 for FY 2022-23, reducing the \$40.0 million set aside by the same amount. This amount is reduced to \$247,394 if sponsor amendments L.022 and J.004 are adopted. In addition, the bill creates a one-time obligation and requires a one-time General Fund appropriation of \$769,057, reducing the \$900.0 million set aside by \$884,416 in order to maintain a 15.0 percent statutory General Fund reserve. If sponsor amendments L.022 and J.004 are adopted, the one-time obligation is \$269,057, reducing the \$900.0 million set-aside by \$309,416 in order to maintain a 15.0 percent statutory General Fund reserve.