

JBC STAFF FISCAL ANALYSIS HOUSE APPROPRIATIONS COMMITTEE

CONCERNING THE PROMOTION OF AN ACCURATE COUNT IN THE DECENTNIAL CENSUS BY CREATING A CENSUS OUTREACH PROGRAM.

Prime Sponsors: Reps. Tipper and Caraveo
Sens. Priola and Winter

JBC Analyst: Carolyn Kampman
Phone: 303-866-4959
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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/20/19.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	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 House State, Veterans, and Military Affairs Committee Report (03/26/19) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

The Fiscal Note indicates that the bill requires an appropriation of \$12,019,803 General Fund for FY 2019-20 and an allocation of 1.4 FTE. However, as described in the Technical Note on page four of the attached Fiscal Note and in the Technical Issues section on the next page of this JBC Staff Fiscal Analysis, the bill requires the Department to administer the grant program within its existing resources. Thus, the appropriation clause should not include an allocation of additional FTE or include an appropriation of \$19,803 for centrally appropriated costs for employee insurance and supplemental employee retirement payments. Thus, this bill should include an appropriation of \$12,000,000 General Fund.

Legislative Council Staff agrees with this update.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment
L.004/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$12,000,000 General Fund to the Department of Local Affairs for FY 2019-20.

L.004 and J.002

Bill Sponsor amendment **L.004** (attached) reduces the required General Fund appropriation from \$12.0 million to \$6.0 million. Staff has prepared amendment **J.002** (attached) to add a provision appropriating \$6,000,000 General Fund to the Department of Local Affairs for FY 2019-20.

If the Committee adopts L.004, it should also adopt J.002 in lieu of J.001.

Points to Consider*General Fund Impact*

1. The Joint Budget Committee has proposed a budget package for FY 2019-20 based on the March 2019 Legislative Council Staff revenue forecast. The budget package leaves approximately \$65.2 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$60.8 million General Fund to fund 2019 legislation and maintain a 7.25 percent General Fund reserve. This bill requires a General Fund appropriation of \$12,000,000 for FY 2019-20, reducing the excess General Fund reserve by \$12,870,000.

Technical Issues

2. The bill states that the Department "shall implement and administer the grant program within its existing resources" [printed bill, page 7, lines 12 and 13]. Thus, the bill does not authorize the Department to spend part of the \$12.0 million required General Fund appropriation or to receive an additional appropriation to cover the costs of administering the grant program. As detailed on page three of the Fiscal Note, the Department will require funding for 1.5 FTE in FY 2019-20 and FY 2020-21 to:
 - a. implement the grant program;
 - b. coordinate and staff the 2020 Census Outreach Grant Program Committee;
 - c. write grant agreements and amendments;
 - d. manage contracts;
 - e. and report to the General Assembly.
3. The bill requires the Department to award grants by November 1, 2019, and to distribute the grant money within 30 days after the grants are awarded [printed bill, page 11, lines 7 and 12]. The bill also requires grant recipients to submit a report to the Department by May 1, 2021, with documentation of actual expenditures [printed bill, page 11, lines 16 through 25]. However, the bill does not specify how long grant recipients have to spend the grant award, nor does it specify that any unspent funds must be returned to the Department so that they can be credited back to the General Fund.