

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE EMPLOYMENT SUPPORT AND JOB RETENTION SERVICES PROGRAM WITHIN THE DIVISION OF EMPLOYMENT AND TRAINING IN THE DEPARTMENT OF LABOR AND EMPLOYMENT.

Prime Sponsors: Representative Coleman  
Sens. Fields and Priola

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Date Prepared: April 25, 2019

**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 01/23/19.

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

The Legislative Council Staff Fiscal Note dated 01/23/19 indicates that the bill does not require an appropriation. However, the bill's statutory provisions require a \$1,000,000 General Fund appropriation to the Employment Support and Job Retention Services Program Cash Fund created by the bill. Legislative Council Staff agrees with this update.

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment
L.008	Bill Sponsor amendment - does not change fiscal impact
L.001/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 a total of \$1,000,000 General Fund to a newly created cash fund for FY 2019-20. This appropriation will be administered by the Department of Labor and Employment.

**L.008** Bill sponsor amendment **L.008** (attached):

(1) Strikes language that limits the amounts that the Division of Employment and Training and the non-profit entity that administers the new program may spend annually for administrative costs. The introduced bill limits expenditures to 20.0 percent of money in the cash fund created by the bill (5.0 percent for the Division and 15.0 percent for the entity). Amendment **L.008** replaces this with language specifying that the Division may use money in the fund for administrative costs, including costs for the administering entity to operate the program, and for reimbursements to service providers authorized by the bill.

(2) Changes the date for a report to the Senate Business, Labor and Technology Committee and the House Business Affairs and Labor Committee, or successor committees, from September 1, 2021 to December 1, 2021.

This amendment does not change the bill's fiscal impact. **Amendment L.008 may be adopted in combination with the any of the other amendments attached (J.001 or L.001/J.002).**

**L.001 and J.002**

Bill sponsor amendment **L.001** (attached) changes the appropriations required by the bill. House Bill 19-1107 requires that \$1,000,000 General Fund be appropriated to the Employment Support and Job Retention Services Program Cash Fund created by the bill in FY 2019-20, FY 2020-21, and FY 2021-22. Amendment **L.001** (attached) changes this to a requirement that \$750,000 General Fund be appropriated to this cash fund in each of the three years. Amendment **J.002** (attached) provides an appropriation of \$750,000 General Fund to the Employment Support and Job Retention Services Program Cash Fund for FY 2019-20.

**If amendment L.001 is adopted, amendment J.002 should be adopted and amendment J.001 should not be adopted.**

**Points to Consider***General Fund Impact*

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 \$47.9 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$44.7 million General Fund to fund 2019 legislation and maintain a 7.25 percent General Fund reserve. This bill requires a General Fund appropriation of \$1,000,000 for FY 2019-20, reducing the excess General Fund reserve by \$1,072,500.