

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING APPLICATION ASSISTANCE FOR PERSONS SEEKING FEDERAL DISABILITY BENEFITS.

Prime Sponsors: Reps. Michaelson Jenet and Larson
Senator Winter

JBC Analyst: Mike Mann
Phone: 303-866-2062
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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 03/18/19.

XXX	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>
	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

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment
L.004/J.002	Bill Sponsor amendment/Staff-prepared appropriation amendment

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 \$2,672,490 General Fund for FY 2019-20 to the Department of Human Services. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE.

L.004 and J.002

Bill sponsor amendment **L.004** (attached):

- (a) specifies that for FY 2019-20, the Department will allocate funds to counties based on the number of Aid to the Needy Disabled Program participants and homeless persons in the county;
- (b) requires an evaluation after one year, rather than five years, and that the evaluation be provided to the Joint Budget Committee in addition to other General Assembly committees;
- (c) specifies that beginning in FY 2020-21, General Fund appropriations for the Aid to the

Needy Disabled Program that are unexpended and unencumbered will be transferred to the Disability Benefits Application Assistance Fund (Fund) to implement the act;
(d) authorizes use of the Marijuana Tax Cash Fund for the purpose of implementing this act and requires the General Assembly to appropriate \$1,450,000 from the Marijuana Tax Cash Fund to the Department for FY 2019-20; and
(e) requires General Fund appropriations in FY 2020-21 and years thereafter when money in the Disability Benefits Application Assistance Fund is insufficient.

This amendment changes the source of funding for the bill in FY 2019-20 and future years and reduces the amount provided for FY 2019-20.

Staff has prepared amendment **J.002** (attached) to add a provision appropriating a total of \$1,450,000 cash funds from the Marijuana Tax Cash Fund to the Department of Human Services for FY 2019-20. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE.

If the Committee adopts L.004, it should also adopt J.002 and should not adopt 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 \$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 as introduced requires a General Fund appropriation of \$2,762,490 for FY 2019-20, reducing the excess General Fund reserve by \$2,962,771.
2. Bill sponsor amendment (L.004) states that the State Treasurer shall deposit any unexpended General Funds from the Aid to the Needy Disabled (AND) Program to the Fund, and that "for any fiscal year in which the money in the Fund is insufficient, the General Assembly shall appropriate money from the General Fund to the State Department" for purposes of implementing the act. Legislative Council Staff and Joint Budget Committee Staff agree that the amount of AND General Fund reversions resulting from the implementation of this program is indeterminate and, therefore, the future impact on the General Fund cannot be estimated or determined.

Future Fiscal Impact

1. The bill requires a \$3.8 million General Fund appropriation for FY 2020-21 and subsequent years.
2. Although the bill sponsor amendment (L.004) would not require a General Fund

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appropriation for FY 2019-20, it would require a yet-to-be determined amount appropriated from the General Fund if the reversions to General Fund are not sufficient to implement the act in FY 2020-21 and years thereafter.

Revenue Source/ Related Budget Information

A total of \$158.9 million is projected to be available in the Marijuana Tax Cash Fund for appropriation in FY 2019-20, based on the March 2019 Legislative Council Staff revenue forecast. As detailed below, the FY 2019-20 budget package introduced by the Joint Budget Committee, as amended by General Assembly action on the Long Bill, leaves \$28.1 million available.

Total funds projected to be available for FY 2019-20	\$ 158,948,672
Less: Long Bill (S.B. 19-207) appropriations	(130,043,950)
Less: Transfers in/(out) under current law and S.B. 19-213	<u>(803,348)</u>
Funds remaining available	\$ 28,101,374