

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE REGULATION OF STUDENT EDUCATION LOAN SERVICERS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Winter and Fenberg
Reps. Roberts and Jackson

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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 02/25/19.

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

The Senate Finance Committee Report (02/26/19), the Senate Appropriations Committee Report (03/19/19), and a Floor amendment adopted by the Senate on Second Reading (03/21/19), as well as the House Finance Committee Report (04/17/19) include amendments to the bill. However, Legislative Council Staff and JBC Staff agree that these amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
L.006	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$155,273 General Fund to the Department of Law for FY 2019-20. The provision also states that the appropriation is based on the assumption that the Department will require an additional 1.4 FTE to implement the act. The cash fund appropriation included in the fiscal note is from a continuously appropriated cash fund. Therefore, no cash fund appropriation is necessary.

Description of Amendments in This Packet

L.006 Bill Sponsor amendment **L.006** modifies the bill to use a standard petition clause, which moves up the effective date to August 2, 2019. The amendment also clarifies that the

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licensing requirement will begin on January 31, 2020. This amendment addresses the technical note included on page 5 of the fiscal note and does not change the fiscal impact of the bill, as the note assumes the Department of Law will begin implementation on August 1, 2019.

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 \$155,273 for FY 2019-20, reducing the excess General Fund reserve by \$166,530.