

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO INCREASE THE NUMBER OF INDIVIDUALS WHO ARE WELL-PREPARED TO TEACH IN PUBLIC SCHOOLS, AND, IN CONNECTION THEREWITH, CREATING THE "GROWING GREAT TEACHERS ACT" AND MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Todd and Rankin
Reps. McLachlan and Wilson

JBC Analyst: Amanda Bickel
Phone: 303-866-4960
Date Prepared: April 23, 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 04/02/19.

	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 Legislative Council Staff Fiscal Note (04/02/19) incorporates the impact of the strike-below amendment adopted in the Senate Education Committee Report (04/04/19). Although additional amendments were adopted in the Senate Appropriations Committee Report (04/16/19), on the Senate floor (04/16/19), and in the House Education Committee Report (04/23/19), Legislative Council Staff and JBC Staff agree that these amendments do not change the bill's total fiscal impact. The amendment adopted in the House Education Committee Report eliminates restrictions on administrative expenses and thus allows for expenditures consistent with the fiscal note.

Staff has, however, identified three technical updates to the Legislative Council Staff Fiscal Note:

- The bill requires a General Fund appropriation as reflected on page 4 of the Fiscal Note; due to a technical error, the table on p. 1 indicates cash funds.
- The appropriation for administration incorporates the payday shift, but the FTE should therefore be shown as 0.9 FTE rather than 1.0 FTE in FY 2019-20.
- The second-year fiscal impact is overstated in the Fiscal Note with respect to Department staffing. For FY 2020-21 and subsequent years, the Department's responsibilities are limited to administering the Teacher Mentor Grant Program created by the bill. Legislative Council Staff and Joint Budget Committee staff agree that administrative costs for the bill are estimated at 0.5 FTE (rather than 1.0 FTE) in FY 2020-21, reducing the bill's cost in FY 2020-21 to \$1,172,527 General Fund, including \$47,527 for administration and \$1,125,000 for the grant program and excluding centrally appropriated amounts.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates a total of \$1,217,787 General Fund to the Department of Higher Education for FY 2019-20. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.0 FTE.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to specify that the appropriation is based on the assumption that the Department will require an additional 0.9 FTE (rather than 1.0 FTE).

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 \$1,217,787 for FY 2019-20, reducing the excess General Fund reserve by \$1,306,077.