

**JBC STAFF FISCAL ANALYSIS  
SENATE 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".

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

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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 04/02/19.

	<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 bill requires a General Fund appropriation as reflected on p. 4 or the Fiscal Note; due to a technical error, the table on p. 1 indicates cash funds.

The Education Committee Report (04/04/19) 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 Legislative Council Staff Fiscal Note (04/02/19) incorporates the impact of the strike-below amendment adopted in the Education Committee Report (04/04/19). However, JBC staff believes that the second-year fiscal impact of the strike-below amendment was 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 concur 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. This nonetheless exceeds the current 1.0 percent limit in the bill on administrative costs for the grant program.

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

<b>Amendment</b>	<b>Description</b>
J.001	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 \$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.

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

*Technical Issues*

As noted on p.3 of the Legislative Council Staff Fiscal Note, the bill limits administrative overhead for the Department of Higher Education to 1.0 percent of the annual appropriation for the Teacher Mentor Grant Program. This equates to \$11,364 for FY 2020-21, assuming a total appropriation of \$1,136,364, with grants of \$1,125,000 comprising 99.0 percent of the total. Joint Budget Committee Staff and Legislative Council Staff estimate that the Department requires 0.5 FTE at a cost of \$47,527 (excluding centrally appropriated amounts) in FY 2020-21 and future years to administer the Teacher Mentor Grant Program.