

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING ADJUSTMENTS TO SCHOOL FUNDING FOR THE 2020-21 BUDGET YEAR, AND, IN CONNECTION THEREWITH, MAKING APPROPRIATIONS.

Prime Sponsors: Sens. Moreno and Zenzinger
Reps. McCluskie and McLachlan

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Date Prepared: February 18, 2021

Appropriation Items of Note

Appropriation Already Added to Bill, Amendment in Packet

General Fund Impact

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 02/16/21.

	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

Legislative Council Staff and JBC Staff have identified a technical error in the appropriation in the introduced bill. The bill requires an additional \$219 General Fund above the current appropriation in the bill and above the amount identified in the Legislative Council Staff Fiscal Note.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates a total of \$85,194,309 to the Department of Education for FY 2021-22, including \$60,194,309 General Fund and \$25,000,000 cash funds from the Rural Schools Cash Fund. Those appropriations include:

- \$40,905,287 General Fund for the State Share of Districts' Total Program Funding;

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- \$14,710,558 General Fund to align school districts' reductions in total program funding with their reductions in funded pupil counts;
- \$4,578,464 General Fund to ensure that no school district's total program funding falls more than 2.0 percent below the amount assumed in the original appropriation for FY 2020-21; and
- \$25,000,000 cash funds from the Rural Schools Cash Fund to be distributed to rural school districts and institute charter schools pursuant to H.B. 20-1427 (Cigarette Tobacco & Nicotine Products Tax) and Proposition EE.

As noted above, legislative staff have identified an error in the appropriation aligning school districts' changes in total program funding with their changes in funded pupil count. Fully funding that provision will require an additional \$219 of General Fund, for a total appropriation of \$14,710,777 associated with that provision (rather than the \$14,710,558 currently included in the bill).

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to change the existing clause to appropriate an additional \$219 General Fund as discussed above.

Points to Consider

The Joint Budget Committee (JBC) has proposed a supplemental budget package for FY 2020-21 based on the December 2020 Office of State Planning and Budget revenue forecast. The JBC has included as part of its FY 2020-21 supplemental budget package \$60,194,309 General Fund to be appropriated for implementation of this bill.