

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES RELATED TO CREATING HIGHER EDUCATION OPPORTUNITIES FOR PERSONS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.

Prime Sponsors: Reps. Young and Bradfield  
Sens. Cooke and Bridges

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**Appropriation Items of Note**

**Appropriation Required, Amendment in Packet**

**General Fund Impact**

**New Cash Fund (with Continuous Appropriation)\***

\*While the bill provides for continuous appropriation, any excess remaining at the end of a fiscal year reverts to the General Fund.

**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 02/08/22.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<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

**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 \$450,000 General Fund to the Inclusive Higher Education Opportunities Cash Fund for FY 2022-23.

The Department of Higher Education is responsible for the accounting related to this cash fund.

### **Points to Consider**

#### *General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million appropriations set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million obligations set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore appropriations from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates an ongoing obligation and requires a General Fund appropriation of \$450,000 for FY 2022-23, reducing the \$40.0 million set aside by the same amount.

#### *Legislative Appropriation Authority*

Continuous spending authority, also known as **continuous appropriations**, allows departments to spend money for statutorily specified purposes up to the amount of money in the fund without seeking annual legislative approval.

This bill creates a new cash funds with continuous appropriations authority. However, it also requires that any amounts that are not expended or encumbered revert to the General Fund at the end of each fiscal year. The appropriation method reduces the information on expenditures that will be reported through the budget process but will require the Department to receive an annual appropriation for the program. Is it necessary for the Department of Higher Education to receive support for this program through a continuously appropriated cash fund, rather than a direct annual appropriation?