

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF A NEW MEASURE IN THE PUBLIC SCHOOL FUNDING FORMULA FOR IDENTIFYING AT-RISK STUDENTS, AND, IN CONNECTION THEREWITH, CREATING A WORKING GROUP IN THE DEPARTMENT OF EDUCATION TO IMPLEMENT THE NEW MEASURE IN A FUTURE BUDGET YEAR AND MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Herod and McCluskie
Sens. Zenzinger and Coleman

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Date Prepared: April 5, 2022

Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

General Fund Impact

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 03/14/22.

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 House Appropriations Committee Report (03/18/22), approved by the House on Second Reading, added an appropriation clause to the bill that is consistent with the Legislative Council Staff Revised Fiscal Note.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates a total of \$163,338 General Fund to the Department of Education for FY 2022-23. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.5 FTE.

HB22-1202

JBC Staff Analysis

JBC Staff Fiscal Analysis 2

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:

1. \$40.0 million General Fund for bills that create ongoing obligations; and
2. \$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 a one-time obligation and requires a General Fund appropriation of \$163,338 for FY 2022-23, reducing the \$900.0 million set aside by \$187,839 in order to maintain a 15.0 percent statutory General Fund reserve. The bill may increase obligations in subsequent years as well but those impacts are unknown.