

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING PROGRAMS THAT PROVIDE FUNDING TO IMPROVE SCHOOL SAFETY, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Exum and Van Winkle  
Senator Kolker

JBC Analyst: Craig Harper  
Phone: 303-866-3481  
Date Prepared: April 11, 2022

**Appropriation Items of Note**

**Appropriation Already Added to Bill, Amendment in Packet**

**General Fund Impact**

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

**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 03/03/22.

<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
L.002/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

**Current Appropriations Clause in Bill**

The bill includes an appropriation clause that provides two of the three appropriations required by the bill as outlined in the Legislative Council Staff Fiscal Note. The current clause includes the following appropriations: (1) \$6.0 million General Fund appropriated to the School Security Disbursement Program Cash Fund (which is continuously appropriated to the Department of Public Safety); and (2) \$2.0 million cash funds from the Behavioral and Mental Health Cash Fund (which originated as federal Coronavirus State Fiscal Recovery Funds) appropriated to the Department of Education.

However, the current appropriation clause does not include an appropriation of \$6.0 million to the Department of Human Services to continue the Temporary Youth Mental Health Services Program for FY 2022-23.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to change the existing clause to add a provision appropriating \$6.0 million General Fund to the Department of Human Services for FY 2022-23. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.0 FTE to implement the act. This amendment aligns with the Legislative Council Staff Fiscal Note.

**L.002 and J.002**

Bill Sponsor amendment **L.002** (attached) directs the General Assembly to appropriate \$6.0 million cash funds from the Behavioral and Mental Health Cash Fund to the Department of Human Services in FY 2022-23 to support the Temporary Youth Mental Health Services Program. The amendment states that those funds are available to the Department through June 30, 2024, without further appropriation. Staff has drafted amendment **J.002** to add a provision appropriating \$6.0 million cash funds from the Behavioral and Mental Health Cash Fund (which originated as federal funds from the American Rescue Plan Act) to the Department of Human Services for FY 2022-23. Consistent with amendment L.002, this provision also states that the funds are available to the Department through June 30, 2024. Finally, the amendment also states that the appropriation is based on the assumption that the Department will require an additional 1.0 FTE.

**If the Committee adopts amendment L.002 then it should adopt amendment J.002 and should not adopt amendment J.001.**

**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 requires annual appropriations of \$6.0 million to the Department of Human Services in FY 2022-23 and FY 2023-24 to continue the Temporary Youth Mental Health Services Program. The Legislative Council Staff Fiscal Note and Amendment J.001 assume that this appropriation would be from the General Fund, reducing the \$40.0 million set aside for ongoing obligations by \$6.0 million. However, amendments L.002 and J.002 would instead make that appropriation from the Behavioral and Mental Health Cash Fund, eliminating the General Fund impact.

In addition, this bill creates a one-time obligation to appropriate \$6.0 million General Fund to the School Security Disbursement Program Cash Fund in FY 2022-23, reducing the \$900.0 million set aside for one-time obligations by \$6.9 million (including the necessary reserve associated with the appropriation). As discussed in the Effective Date section of the Legislative Council Staff Fiscal Note, the sections of the bill associated with the School Security Disbursement Program, including this appropriation to the cash fund, only take effect if H.B. 22-1120 (School Security Disbursement Program) becomes law.

*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. An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority.

This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process. Is it necessary for the Department of Public Safety to **not** seek annual authority from the General Assembly to spend money from School Security Disbursement Program Cash Fund?