

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE EXPANSION OF EXPERIENTIAL LEARNING OPPORTUNITIES THROUGH RELATIONSHIPS WITH EMPLOYERS, AND, IN CONNECTION THEREWITH, ESTABLISHING A WORK-BASED LEARNING INCENTIVE PROGRAM, A DIGITAL NAVIGATION PROGRAM, A CAREER-ALIGNED ENGLISH AS A SECOND LANGUAGE PROGRAM, A GLOBAL TALENT TASK FORCE TO STUDY IN-DEMAND OCCUPATIONS, AND MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Coleman and Gardner
Reps. McLachlan and Amabile

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Date Prepared: May 2, 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 04/29/22.

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

Statutory language in the bill compels the General Assembly to appropriate a total of \$6.1 million General Fund to the Department of Labor and Employment, however, the expenditures identified in the attached LCS Revised Fiscal Note for FY 2022-23 total only \$5.7 million.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause appropriating a total of \$6,100,000 General Fund to the Department of Labor and Employment for FY 2022-23. This provision also states that the

appropriation is based on the assumption that the Department will require an additional 6.4 FTE and that the Department may expend this funding through FY 2023-24. However, the existing clause does not align with the FTE assumptions in the revised fiscal note, which estimates that the Department will require 5.1 FTE for FY 2022-23 (1.3 FTE below the existing clause).

In addition, the bill includes a clause appropriating a total of \$11,319 General Fund to the General Assembly in the Legislative Department for FY 2022-23.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to amend the appropriations provision to reflect that the Department of Labor and Employment will require a total of 5.1 FTE for FY 2022-23. The amendment would align with the FTE assumptions in the bill with the revised fiscal note

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 a one-time obligation and requires a General Fund appropriation of \$6.1 million for FY 2022-23, reducing the \$900.0 million set aside by \$7 million in order to maintain a 15.0 percent statutory General Fund reserve.