

**JBC STAFF FISCAL ANALYSIS
SENATE 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, AND A GLOBAL TALENT TASK FORCE TO STUDY IN-DEMAND OCCUPATIONS.

Prime Sponsors: Senator Coleman
Representative McLachlan

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Appropriation Items of Note

Appropriation Required, 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 04/13/22.

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.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 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 spending authority does not expire; and
 - \$11,319 General Fund to the General Assembly in the Legislative Department for FY 2022-23.

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 \$7.0 million in order to maintain a 15.0 percent statutory General Fund reserve.

Legislative Appropriation Authority

Continuous spending authority, also known as **continuous appropriations**, allows departments to spend money for statutorily specified purposes 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 Labor and Employment to **not** seek annual authority from the General Assembly to spend money appropriated by this bill?