

**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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Date Prepared: April 18, 2022

**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.

<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

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**

<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 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?