

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE DIRECT CARE WORKFORCE STABILIZATION BOARD TO DEVELOP RECOMMENDATIONS REGARDING DIRECT CARE WORKERS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Danielson and Exum
Reps. Duran and Willford

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Appropriation Items of Note

Appropriation Already Added to Bill, Amendments 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 04/26/23.

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

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	Staff-prepared appropriation amendment
L.035 /J.003	Bill Sponsor amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$81,912 General Fund to the Department of Labor and Employment for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.4 FTE.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to add a provision appropriating a total of

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\$60,359 General Fund to the Department of Health Care Policy and Financing for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.6 FTE and the Department will receive \$60,358 federal funds to implement the act.

L.035/J.003

Bill Sponsor amendment **L.035** (attached) requires that the outreach plan must be culturally competent and use targeted methods to effectively engage direct care workers and consumers.

At the request of the Bill Sponsor, staff has prepared amendment **J.003** (attached) to add appropriations to the Department of Labor and Employment. The amendment includes the same appropriations to the Department of Health Care Policy and Financing as amendment **J.002**, but also increases the bill's existing appropriations to the Department of Labor and Employment by \$104,964. That increase includes:

- An increase of \$29,964 General Fund, based on the assumption the Department will require an additional 0.9 FTE, rather than 0.4 FTE as currently assumed in the bill. This change is based on the departmental difference noted in the Revised Fiscal Note dated 04/26/23, which states the Department estimates that it will have costs of \$146,222 and 1.1 FTE in FY 2023-24. After adjusting for JBC staff policies regarding appropriations, this equates to \$111,876 and 0.9 FTE for FY 2023-24.
- An increase of \$75,000 General Fund for FY 2023-24 for the costs associated with developing and implementing outreach plans for direct care workers and consumers. The amendment also makes this particular appropriation available to the Department through FY 2024-25.

If the Committee adopts L.035, it should adopt J.003 and NOT J.002.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2023-24 based on the March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes two set-asides for legislation outside of the package: (1) \$30.0 million General Fund for bills that create ongoing obligations; and (2) \$469.0 million for bills that create one-time obligations for FY 2023-24 (see table below).

General Fund Appropriation Placeholders for Other 2023 Legislation	
Description	FY 2023-24

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General Fund Appropriation Placeholders for Other 2023 Legislation	
Legislation with Ongoing Fiscal Impacts	\$30,000,000
Legislation with One-time Fiscal Impacts	
Workforce-related legislation, including free credentials, math scholarships, adult education, and concurrent enrollment	103,000,000
Housing-related legislation, including property tax relief, land use, and public-private partnerships	221,000,000
Legislation related to topics other than workforce and housing, including rural opportunity, line of duty loss, and Proposition 122 implementation	145,000,000
Subtotal	\$469,000,000
TOTAL Placeholders for Other 2023 Legislation	\$499,000,000

The budget package accounts for the 15.0 percent reserve associated with the above placeholders (a total of \$74.9 million).

As amended by previous committee reports, this bill creates an ongoing obligation and requires a General Fund appropriation of \$142,271 for FY 2023-24, reducing the \$30.0 million set aside by the same amount.

If **J.003** is adopted, this bill creates an ongoing obligation and requires a General Fund appropriation of \$329,147 for FY 2023-24, reducing the \$30.0 million set aside by the same amount.