

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING STATE FUNDING FOR FULL-DAY KINDERGARTEN EDUCATIONAL PROGRAMS, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN APPROPRIATION.

Prime Sponsors: Reps. Wilson and McLachlan
Sens. Bridges and Fields

JBC Analyst: Craig Harper
Phone: 303-866-3481
Date Prepared: April 19, 2019

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 04/18/19.

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

* The Revised Fiscal Note estimates that the bill requires an increase of \$182,911,699 General Fund for the State Share of Districts' Total Program Funding (state share) in FY 2019-20. However, the bill's current appropriation clause includes an increase of \$8,939,591 cash funds from the State Education Fund for the state share (made available by the elimination of the FY 2019-20 Long Bill appropriation for Hold-harmless Full-day Kindergarten Funding). The appropriation from the State Education Fund reduces the necessary appropriation from the General Fund in FY 2019-20 by \$8,939,591 below the amount anticipated in the Revised Fiscal Note (to a total of \$173,972,108 General Fund).

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.003	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that includes the following changes to FY 2019-20 appropriations to the Department of Education: (1) an increase of \$183,722,505 total funds (including \$174,782,914 General Fund and \$8,939,591 cash funds from the State Education Fund) for the State Share of Districts' Total Program Funding; and (2) a reduction of \$8,939,591 cash funds from the State Education Fund to eliminate funding for Hold-harmless Full-day Kindergarten Funding. However, the current appropriation clause does not reflect the adjustments to the residential

assessment rate assumed in the Revised Fiscal Note and does not include an appropriation of \$25,094 General Fund to the Department of Human Services called for in the Revised Fiscal Note.

Description of Amendments in This Packet

J.003 Staff has prepared amendment **J.003** (attached) to adjust the appropriations in the bill to align with the total appropriations anticipated in the Revised Fiscal Note. Amendment J.003 includes the following provisions:

- The amendment adjusts the appropriation to the Department of Education for the State Share of Districts Total Program Funding for FY 2019-20 to reflect the changes to the residential assessment rate assumed in the Revised Fiscal Note. The new provision appropriates a total of \$182,911,699 for the state share (including \$173,972,108 General Fund and \$8,939,591 cash funds from the State Education Fund), a reduction of \$810,806 General Fund below the appropriation in the reengrossed bill.
- The amendment adds a provision appropriating \$25,094 General Fund to the Department of Human Services for child care licensing and administration. This provision also includes language stating that the appropriation is subject to the "(M)" notation and states that the appropriation assumes that the Department will require an additional 0.3 FTE.

Points to Consider*General Fund Impact*

The Joint Budget Committee (JBC) has proposed a budget package for FY 2019-20 based on the March 2019 Legislative Council Staff revenue forecast. The JBC has included as part of its FY 2019-20 budget package \$175,000,000 General Fund to be appropriated for implementation of this bill.