

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING EXPANSION OF THE ADULT EDUCATION AND LITERACY GRANT PROGRAM.

Prime Sponsors: Sens. Zenzinger and Rankin
Representative McLachlan

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Phone: 303-866-3481
Date Prepared: March 10, 2020

Appropriation Items of Note

Appropriation Already Added to Bill, Amendment in Packet

General Fund

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 02/26/20.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	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 Legislative Council Staff Revised Fiscal Note, dated February 26, 2020, assumes that the \$500,000 General Fund appropriation in the bill for FY 2020-21 is one-time in nature and would not recur in FY 2021-22. However, based on discussion with the bill sponsors, JBC Staff understands that the intention is for the appropriation to be ongoing (\$500,000 General Fund per year in subsequent years as well).

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$500,000 General Fund into the Adult Education and Literacy Grant Fund and then appropriates that amount from the cash fund as reappropriated funds to support the Adult Education and Literacy Grant Program. That structure double counts the appropriation and would be reflected as an appropriation of \$1.0 million total

funds (\$500,000 General Fund and \$500,000 reappropriated funds), even though the bill is actually adding \$500,000 to the grant program. Consistent with current Long Bill appropriations, the Committee could appropriate the \$500,000 General Fund directly to the Adult Education and Literacy Grant Program rather than appropriating funds to the separate cash fund and then reappropriating those funds to the grant program.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to change the existing clause to appropriate \$500,000 General Fund directly to the Adult Education and Literacy Grant Program rather than appropriating that amount to the separate cash fund and then reappropriating it to the grant program. The amendment is consistent with current Long Bill appropriations for the Adult Education and Literacy Grant Program.

Points to Consider*General Fund Impact*

The Joint Budget Committee (JBC) is developing a budget package for FY 2020-21. This bill requires a General Fund appropriation of \$500,000 for FY 2020-21, reducing the General Fund available for other FY 2020-21 appropriations by this amount.

Revenue Source

Is it necessary to appropriate money in the General Fund to a separate cash fund rather than directly appropriating General Fund for the Adult Education and Literacy Grant Program? This funding method complicates the budget process, making it more difficult to identify programs and services that are supported by the General Fund.