

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF OPPORTUNITIES FOR CREDENTIAL ATTAINMENT, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Zenzinger and Simpson
Reps. Esgar and Catlin

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Appropriation Items of Note

Appropriation Already Added to Bill, Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/12/22.

	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>
XXX	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 reengrossed bill includes amendments included in the Senate Education Committee Report (04/14/22), the Senate Appropriations Committee Report (04/22/22), and adopted on the Senate floor during second reading. These amendments do not change the total fiscal impact of the bill. However, the Senate floor amendment made appropriations from a cash fund created by the bill subject to annual appropriation. Therefore, the bill requires a change to the appropriation clause to provide spending authority from the cash fund for FY 2022-23.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause the provides the following appropriations for FY 2022-23:

- \$800,000 General Fund to the Department of Education for the Adult Education and Literacy Grant Program;

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- \$1,000,000 from the Workers, Employers, and Workforce Centers Cash Fund to the Credentials to Support Colorado Jobs Cash Fund.
- \$1,800,000 General Fund to the Department of Higher Education for allocation by the Colorado Commission on Higher Education to fund student access to nondegree credential programs.

The appropriation clause does not include an appropriation from the Credentials to Support Colorado Jobs Cash Fund to the Department of Higher Education. It also does not clarify the source of the appropriation from the Workers, Employers, and Workforce Centers Cash Fund to the Credentials to Support Colorado Jobs Cash Fund. The Workers, Employers, and Workforce Centers Cash Fund includes money that originates as federal Coronavirus State Fiscal Recovery Funds (ARPA Funds) and money that originates as General Fund.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to make the following additions and clarifications to the appropriation clause described above:

- Add an appropriation of \$475,275 reappropriated funds from the Credentials to Support Colorado Jobs Cash Fund to the Department of Higher Education for FY 2022-23. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.5 FTE.
- Clarifies that the appropriation from the Workers, Employers, and Workforce Centers Cash Fund to the Credentials to Support Colorado Jobs Cash Fund is from money that originates as General Fund.

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 General Fund appropriations totaling \$2.6 million for FY 2022-23, reducing the \$900.0 million set aside by \$3.0 million in order to maintain a 15.0 percent statutory General Fund reserve.