

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING A PROGRAM TO PROVIDE MENTAL HEALTH SERVICES FOR VETERANS WHO HAVE EXHAUSTED FEDERAL VETERANS ADMINISTRATION MENTAL HEALTH BENEFITS.

Prime Sponsors: Representative Martinez

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Appropriation Items of Note

Appropriation Required, Amendments 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 02/02/23.

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

The House Public & Behavioral Health & Human Services Committee Report (02/07/23) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment
L.002/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

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 \$5,856,614 General Fund to the Department of Human Services for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE.

L.002 and J.002

Bill Sponsor amendment **L.002** (attached) would reduce the number of mental health sessions for which the Behavioral Health Administration (BHA) is required to reimburse providers from ten per eligible veteran per year to four. The amendment also eliminates a requirement that the BHA develop an online directory of participating providers and instead requires the BHA to post a list of participating providers on its website. Legislative Council Staff and JBC Staff agree that the amendment reduces the necessary appropriation for the bill for FY 2023-24 from \$5,856,614 assumed in the fiscal note to \$1,698,338. Staff has prepared amendment **J.002** (attached) to add a provision appropriating \$1,698,338 General Fund to the Department of Human Services for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE. The appropriation associated with staffing is \$1,724 higher than J.002 than in J.001 because of a change in the assumptions about the classification of FTE necessary to meet the modified requirements of the BHA under amendment L.002.

If the Committee adopts amendment L.002, then it should adopt amendment J.002 and should NOT adopt amendment J.001.

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 (OSP) 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
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

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General Fund Appropriation Placeholders for Other 2023 Legislation	
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).

With amendment **J.001**, the bill would create an ongoing obligation and require a General Fund appropriation of \$5,856,614 for FY 2023-24, reducing the \$30.0 million set aside by the same amount. Amendments **L.002** and **J.002** would reduce the ongoing obligation to \$1,698,338 in FY 2023-24, reducing the \$30.0 million set aside by that amount.