

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO SUPPORT THE IN-DEMAND CAREER WORKFORCE.

Prime Sponsors: Reps. McCluskie and Pugliese  
Sens. Buckner and Will

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Date Prepared: April 5, 2023

**Appropriation Items of Note**

**Appropriation Required, 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 03/20/23.

	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
<b>XXX</b>	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Section 23-3.3-103 (1), C.R.S., requires that "student financial assistance under [Article 3.3 of Title 23] increase by at least the same percentage as the aggregate percentage increase of all general fund appropriations to institutions of higher education." This bill includes appropriations for the Colorado Community College System (an institution of higher education). The additional cost of providing aligned financial aid under Article 3.3 of Title 23, consistent with the provisions of Section 23-3.3-103 (1), C.R.S., is \$10,121,414 General Fund. Legislative Council Staff concurs with this analysis.

**Amendments in This Packet for Consideration by Appropriations Committee**

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment
L.001/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 \$53,721,414 General Fund to the Department of Higher Education for FY 2023-24, including \$43,600,000 General Fund for the In-Demand Short-Term Credentials Program created in this bill and \$10,121,414 General Fund for Need Based Grants. The amendment also appropriates \$1,400,000 General Fund to the Department of Labor and Employment for FY 2023-24. This provision also states that the appropriation to the Department of Labor and Employment is based on the assumption that the Department will require an additional 1.2 FTE.

**L.001 and J.002**

Bill Sponsor amendment **L.001** (attached) includes the following provisions:

- Specifies that the programs created in this bill are not subject to two statutory requirements: Section 23-3.3-103(1), C.R.S., which requires that financial aid be increased at the same rate as increases in General Fund appropriations for the higher education governing boards; and Section 23-1-104(1), C.R.S., which requires most appropriations for the higher education governing boards be included in a single line item for the board.
- Authorizes roll-forward of Coronavirus State Fiscal Recovery Funds from the American Rescue Plan Act (ARPA Funds) that were previously appropriated for two programs in the Department of Public Health and Environment. Allows roll-forward through December 31, 2026 of \$10.0 million appropriated in S.B. 22-226 for recruitment and re-engagement of workers in the health-care profession with current or expired licenses and staffing, if amounts are obligated by December 30, 2024. Also allows roll-forward through December 31, 2026 of \$3.0 million appropriated in S.B. 22-226 for the School Nurse Grant Program, if amounts are obligated by December 30, 2024.

Amendment **J.002** (attached) adds a provision appropriating \$43,600,000 General Fund to the Department of Higher Education (excludes additional funding for financial aid) and \$1,400,000 General Fund to the Department of Labor and Employment for FY 2023-24. This provision also states that the appropriation to the Department of Labor and Employment is based on the assumption that the Department will require an additional 1.2 FTE.

**The Committee may adopt J.001 OR the combination of L.001 and J.002. It should not adopt both J.001 and 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

**HB23-1246****JBC Staff Analysis**

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
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
<b>TOTAL Placeholders for Other 2023 Legislation</b>	<b>\$499,000,000</b>

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

This bill creates a one-time obligation and requires a General Fund appropriation of \$55.1 million (if amendment J.001 is adopted) or \$45.0 million (if amendment J.002 is adopted) for FY 2023-24, reducing the \$469.0 million set aside by the amount in the amendment that is adopted.