

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING ENHANCING ADULT EDUCATION IN COLORADO.

Prime Sponsors: Sens. Zenzinger and Kirkmeyer
Reps. Kipp and Catlin

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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 01/17/23.

	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 bill as drafted requires an appropriation of \$2,000,000 General Fund to the Adult Education and Literacy Grant *Fund*. However, due to technical issues related to this fund that are described at the end of this analysis, JBC Staff has interpreted this as a requirement for a General Fund appropriation to the Department of Education for the Adult Education and Literacy Grant *Program*. Legislative Council Staff concurs with this interpretation.

The Education Committee Report (01/23/23) includes amendments to the bill. The amendments result in the need for an additional 0.5 FTE to determine post-program outcomes; however, Legislative Council Staff and JBC Staff agree that the cost for this additional 0.5 FTE will be absorbed within the amount identified in the fiscal note dated 1/17/23. Therefore, the committee amendments do not change the fiscal impact of the bill with respect to total dollars required.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Amendment	Description
L.006	Bill Sponsor amendment - does not change fiscal impact

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 \$2,000,000 General Fund to the Department of Education for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.8 FTE.

L.006 Bill Sponsor amendment **L.006** (attached) strikes the requirement in the bill for an annual appropriation of \$2,000,000 to the Adult Education and Literacy Grant *Fund*. This corrects a technical issue in the bill, but JBC Staff and Legislative Council Staff concur that it *does not change the bill's fiscal impact*, as the fiscal impact is anticipated to be \$2,000,000 General Fund per year ongoing, with or without this provision.

The Committee may adopt J.001 and L.006.

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
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

General Fund Appropriation Placeholders for Other 2023 Legislation	
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).

This bill creates an ongoing obligation and requires a General Fund appropriation of \$2,000,000 for FY 2023-24, reducing the \$30.0 million set aside by the same amount.

Technical Issues

The bill requires an appropriation of \$2,000,000 General Fund to the Adult Education and Literacy Grant Fund. However, current law specifies that this fund is for the receipt and expenditure of gifts, grants, and donations and also includes conflicting language as to whether expenditures from the fund are subject to appropriation. In light of this, J.001 provides a \$2.0 million General Fund appropriation to the Department of Education for the program, rather than appropriating this amount to the Adult Education and Literacy Grant Fund. Amendment L.006 resolves this issue by striking the reference to the fund.