

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING ADDRESSING THE HIGH-ACUITY CRISIS FOR CHILDREN AND YOUTH IN NEED OF RESIDENTIAL CARE, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Young and Bradley
Sens. Kirkmeyer and Fields

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Appropriation Items of Note

Appropriation Already Added to Bill, Amendments in Packet

General Fund Impact

Significant Cost Increase in Second and Third Year

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 01/18/24.

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 reengrossed bill includes amendments that were adopted by the House on second reading (04/26/24), however, Legislative Council Staff and JBC Staff agree that the amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.003	Staff-prepared appropriation amendment
L.007	Bill Sponsor amendment - does not change fiscal impact or appropriation

Current Appropriations Clause in Bill

The bill includes an appropriation clause that provides \$15,326,324 General Fund for FY 2024-25,

including \$12,689,936 to the Department of Human Services and \$2,636,388 to the Department of Health Care Policy and Financing. An additional \$1,199,390 cash funds from Local Funds are appropriated to the Department of Human Services for informational purposes only. This provision also states that it is based on the assumption that the Department of Human Services will require an additional 8.3 FTE and receive \$6,233,040 federal funds to implement the act, and the Department of Health Care Policy and Financing will require an additional 0.9 FTE and receive \$2,636,388 federal funds.

The current appropriation clause includes a technical error identifying \$156,336 General Fund appropriated to the Department of Health Care Policy and Financing as subject to federal matching funds, which is incorrect.

Description of Amendments in This Packet

J.003 Staff has prepared amendment **J.003** (attached) to correct technical errors in the Department of Health Care Policy and Financing section of the existing appropriations clause. The amendment does not change the amounts appropriated.

L.007 Bill Sponsor amendment **L.007** (attached) adds leadership and implementation teams, and requires the Department of Health Care Policy and Financing to report progress on the development and implementation of the system of care for children and youth to the Joint Budget Committee. The teams are not eligible for compensation or reimbursement. Legislative Council Staff and JBC Staff therefore agree that implementation costs are absorbable and do not change the fiscal impact of the bill.

The Committee should adopt J.003 regardless of whether it adopts L.007.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting revenue forecast. The JBC has included as part of its FY 2024-25 budget package \$15.3 million General Fund to be appropriated for implementation of this bill.

Future Fiscal Impact

The bill is projected to require General Fund appropriations of \$20.4 million in FY 2025-26 and \$27.1 million in FY 2026-27.