

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING LEGISLATIVE RECOMMENDATIONS OF THE COLORADO CHILD SUPPORT COMMISSION.

Prime Sponsors: Representative Singer
Senator Crowder

JBC Analyst: Mike Mann
Phone: 303-866-2062
Date Prepared: April 18, 2019

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 03/13/19.

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 Public Health Care & Human Services Committee Report (03/15/19) 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.005/J.002	Bill Sponsor amendment/Staff-prepared appropriation amendment

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 providing a total of \$533,152 to the Department of Human Services for FY 2019-20, including \$181,272 General Fund and an anticipated \$351,880 federal funds to implement the act. In addition, the amendment provides a \$496,080 appropriation from reappropriated funds to the Office of the Governor.

L.005 and J.002

Bill sponsor amendment **L.005** (attached):

- (a) removes the overnight or "residence" factor from the other federal factors for imputing income from the bill, which effectively eliminates the IT modification costs, operating expenses, and contractor services associated with the introduced bill;
- (b) creates the Child Support Deficit Reduction Act Fee Cash Fund, which consists of money from the state's share of fee revenues related to the \$10 fee increase included in the bill and any other money appropriated or transferred to the fund; and
- (c) changes the source of funding for the bill in FY 2019-20 and future years to reflect an increase in available cash fund revenues and corresponding state expenditures.

The Fiscal Note Memorandum (attached) reflects the fiscal impact of bill sponsor amendment L.005. The amendment results in the removal of \$533,152 in IT modification costs, operating expenses, and contractor services paid from the General Fund and federal funds identified in the Fiscal Note dated 03/13/19. With the amendment, remaining costs for implementing the bill are supported by the state's share of a \$10 fee increase that is deposited in the Child Support Deficit Reduction Act Fee Cash Fund. The Memorandum estimates that the cash fund revenues and corresponding increase in state expenditures will total \$143,650.

Staff has prepared amendment **J.002** (attached) which includes a provision appropriating \$143,650 cash funds from the Child Support Deficit Reduction Act Fee Cash Fund to the Department of Human Services for the Automated Child Support Enforcement System for FY 2019-20.

If the Committee adopts L.005, it should also adopt J.002 and should not adopt J.001.

Points to Consider*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2019-20 based on the March 2019 Legislative Council Staff revenue forecast. The budget package leaves approximately \$47.9 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$44.7 million General Fund to fund 2019 legislation and maintain a 7.25 percent General Fund reserve. This bill as introduced requires a General Fund appropriation of \$181,272 for FY 2019-20, reducing the excess General Fund reserve by \$194,414.