

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE FUNDING OF EMPLOYMENT-RELATED SERVICES IN THE STATE THROUGH THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING APPROPRIATIONS.

Prime Sponsors: Reps. Bird and Sirota
Sens. Bridges and Zenzinger

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Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

TABOR 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 03/27/24.

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 (03/28/24), 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
None.	

Current Appropriations Clause in Bill

For FY 2023-24, the bill includes an appropriation clause that:

- Shifts \$10,457,137 in appropriations from the ESF to the Tech Fund within the program costs line item in the Division of Unemployment Insurance;
- Moves \$68,513 SPARC fund program appropriation from the one-stop workforce center

contracts line item to the state operations and program costs line item in the Division of Employment and Training;

- Reduces ESF appropriations in the state operations and program costs line item by \$3,669,974 and FTE by 57.4 in the Division of Employment and Training;
- Reduces ESF appropriations in the one-stop workforce center contracts line item by \$9,829,126 in the Division of Employment and Training;
- Moves \$11,031,925 in federal funding and 36.0 FTE from the one-stop workforce center contracts line item to the workforce innovation and opportunity act line item in the Division of Employment and Training; and
- Adds appropriations of \$13,499,100 from the workforce services fund and 57.4 FTE to the workforce center program costs line item in the new workforce development enterprise in the Division of Employment and Training.

For FY 2024-25, the bill includes an appropriation clause that:

- Adds appropriations of \$14,003,304 from the workforce services fund and 57.4 FTE to the workforce center program costs line item in the new workforce development enterprise in the Division of Employment and Training.

Points to Consider

TABOR/ Excess State Revenues Impact

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$2.0 billion for FY 2023-24, \$1.3 billion for FY 2024-25, and \$1.8 billion for FY 2025-26 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund.

This bill is estimated to decrease cash fund revenues by \$49.5 million in FY 2023-24, \$24.5 million in FY 2024-25, and \$24.5 million in FY 2025-26 which will increase the available General Fund in each fiscal year by equal amounts. This bill reduces the TABOR refunds made out of the General Fund by \$49.5 million for FY 2023-24, \$24.5 million in FY 2024-25, and \$24.5 million in FY 2025-26.