

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING INCREASING SUPPORT FOR KINSHIP FOSTER CARE HOMES.

Prime Sponsors: Sens. Zenzinger and Kirkmeyer
Reps. Pugliese and Young

JBC Analyst: Emily Hansen
Phone: 303-866-4961
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Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund/TABOR Impact

Significant Cost Increase in Second 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 01/24/2024.

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 Health and Human Services Committee Report (02/01/24) and the Finance Committee Report (02/08/24) include 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
J.002	Bill Sponsor amendment - reduces the fiscal impact

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriations clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to align with the fiscal note and add a provision appropriating a total of \$19,478,715 in FY 2024-25, including \$16,309,953 General Fund and \$3,114,326 cash funds from local funds to the Department of Human Services, and \$54,436 cash funds from the CBI Identification Unit Cash Fund to the Department of Public Safety. This provision also states that the appropriation is based on the assumption that the Department of Human Services will require an additional 2.5 FTE, the Department of Public Safety will require an additional 0.3 FTE, and the Department of Human Services will receive \$12,890,359 federal funds to implement the act.

J.002 Bill Sponsor amendment **J.002** (attached) adds a provision appropriating a total of \$4,615,446 in FY 2024-25, including \$4,561,010 federal funds from the Temporary Assistance for Needy Families Block Grant State Long Term Reserve to the Department of Human Services, and \$54,436 cash funds from the CBI Identification Unit Cash Fund to the Department of Public Safety. This provision also states that the appropriation is based on the assumption that the Department of Human Services will require an additional 2.5 FTE and the Department of Public Safety will require an additional 0.3 FTE. The appropriation assumes a three year phase-in of the non-certified kinship benefit.

Points to Consider*General Fund Impact*

The Joint Budget Committee (JBC) is developing a budget package for FY 2024-25. If the Committee adopts J.001, this bill requires a General Fund appropriation of \$16,309,953 for FY 2024-25, reducing the General Fund available for other FY 2024-25 appropriations by this amount.

If the Committee adopts J.002, the bill will be supported with TANF funds rather than General Fund in the first year.

TABOR/ Excess State Revenues Impact

If the March 2024 revenue forecast adopted by the Joint Budget Committee (JBC) projects a TABOR surplus liability for FY 2024-25 or for FY 2025-26, these sums must be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) to the State will further increase the TABOR refund made out of the General Fund. This will reduce the amount of General Fund available for programs.

The JBC is developing a budget package for FY 2024-25. This bill is estimated to increase cash fund revenues by \$50,398 in FY 2024-25 and by \$16,809 in FY 2025-26, which will reduce the available General Fund in each fiscal year by an equal amount.

Future Fiscal Impact

Although this bill would not require a General Fund appropriation for FY 2024-25 if the Committee

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adopts J.002, it is projected to require appropriations of \$10,150,280 in FY 2025-26 that may be supported by General Fund or a combination of General Fund and TANF funds, and \$15,490,478 General Fund in FY 2026-27.