

**JBC STAFF REVISED FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING MODIFICATIONS TO THE SKILLED WORKER TRAINING PROGRAM ADMINISTERED BY THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Pabon and Exum
Sens. Cooke and Williams A.

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Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/30/18.

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

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
L.003	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates a total of \$1,000,000 General Fund into the Skilled Worker Outreach, Recruitment, and Key Training Grant Program Fund (the Fund) for FY 2018-19. This provision also authorizes the Department of Labor and Employment to spend \$1,000,000 out of the Fund and states that the appropriation is based on the assumption that the Department will require an additional 2.0 FTE.

Description of Amendments in This Packet

L.003 Bill Sponsor amendment **L.003** (attached) eliminates the provision in the appropriation clause indicating that the appropriation is based on the assumption that the Department will require an additional 2.0 FTE.

Although this amendment modifies the bill's appropriation clause, it does not change the bill's fiscal impact as outlined in the Legislative Council Staff Revised Fiscal Note dated 4/30/18. Consistent with state Supreme Court decisions, the General Assembly does not

appropriate FTE, and eliminating a reference to FTE in the appropriation clause does not impose a legal restriction on the Department's authority to employ staff to support the program. However, administration is restricted by statutory provisions, and this change may more accurately reflect the Department's ability to employ FTE in light these restrictions (see Technical Issues below).

Points to Consider*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2018-19 based on the March 2018 Office of State Planning and Budgeting revenue forecast. The budget package leaves approximately \$40.8 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$38.3 million General Fund to fund 2018 legislation and maintain a 6.5 percent General Fund reserve. This bill requires a General Fund appropriation of \$1,000,000 for FY 2018-19, reducing the excess General Fund reserve by \$1,065,000.

Technical Issues

Statutory provisions at Section 8-83-307 (4), C.R.S., restrict administrative expenses for this program to 5.0 percent of annual appropriations to the Skilled Worker Outreach, Recruitment, and Key Training Grant Program Fund (Fund). The fiscal note for this bill indicates that \$156,109 (15.6 percent) of the \$1,000,000 FY 2018-19 appropriation to the Fund will be required for administration in FY 2018-19.