

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF A WORKFORCE DIPLOMA PILOT PROGRAM.

Prime Sponsors: Reps. Gray and Sullivan
Senator Todd

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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 03/21/19.

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 House Education Committee Report (04/09/19) included 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.

The House Appropriations Committee Report (04/25/19) added language clarifying that the Department's responsibilities under the bill only apply in years in which the General Assembly appropriates money for the pilot program. Thus, under the amendment, the program would remain in statute but the Department would not have any additional responsibilities or costs associated with the program in any year in which the General Assembly did not provide appropriations.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	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.002 Staff has prepared amendment **J.002** (attached) to add a provision appropriating \$1,012,201 General Fund to the Department of Education for FY 2019-20. This provision also states that the appropriation is based on the assumption that the Department will require an

additional 0.2 FTE.

As discussed above, the House Appropriations Committee Report (04/25/19) added language to the bill clarifying that the Department does not have to implement the bill in any year in which the General Assembly does not appropriate funding for the program. The Committee Report did not add an appropriation clause. **The Committee should adopt amendment J.002 if it intends for the Department to implement the Workforce Diploma Pilot Program in FY 2019-20.**

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. If the General Assembly intends for the Department of Education to implement this bill in FY 2019-20, the bill requires a General Fund appropriation of \$1,012,201 for FY 2019-20, reducing the excess General Fund reserve by \$1,085,586.

Technical Issue/Future Fiscal Impact

The bill does not currently include an appropriation clause. As discussed above, the House Appropriations Committee Report added language clarifying that the Department does not have to implement the program unless the General Assembly appropriates funding to support the program. Thus, without an appropriation, the Department will have no additional responsibilities under the bill in FY 2019-20. The bill is projected to require an appropriation of \$1,012,201 General Fund in the first year in which the Department implements the program.