

SB20-162

JBC Staff Analysis

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$936,412 General Fund to the following departments:

- \$546,652 to the Department of Human Services, based on the assumption that the Department will require an additional 1.7 FTE and that the Department will receive \$91,039 federal funds to implement the act;
- \$211,200 to the Judicial Department for use by the Office of the Child's Representative; and
- \$178,560 to the Judicial Department for use by the Office of the Respondent Parents' Counsel.

Additionally, **J.001** reappropriates \$242,250 to the Governor's Office of Information Technology; and reappropriates \$38,376 to the Department of Law based on the assumption that the Department of Law will require an additional 0.2 FTE.

J.002 Bill Sponsor amendment **J.002** (attached) includes a provision with a net-zero General Fund appropriation, including the following:

- refinancing \$936,412 General Fund in the Employment and Regulatory Affairs in the Department of Human Services with reappropriated funds from departmental indirect cost recoveries;
- appropriating \$546,652 to the Department of Human Services, based on the assumption that the Department will require an additional 1.7 FTE and that the Department will receive \$91,039 federal funds to implement the act;
- appropriating \$211,200 to the Judicial Department for use by the Office of the Child's Representative; and
- appropriating \$178,560 to the Judicial Department for use by the Office of the Respondent Parents' Counsel.

Additionally, **J.002** reappropriates \$242,250 to the Governor's Office of Information Technology; and reappropriates \$38,376 to the Department of Law based on the assumption that the Department of Law will require an additional 0.2 FTE.

L.003 Bill Sponsor amendment **L.003** (attached) amends the bill and the Senate Judiciary Report dated March 11, 2020 to clarify language concerning the implementation of the federal Family First Prevention Services Act of 2018, and modifies reporting deadlines of the Delivery of Child Welfare Services Task Force. Legislative Council Staff and JBC Staff agree that the amendment has no fiscal impact.

The Committee should adopt either **J.001** or **J.002**.

Points to Consider*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2020-21 based on the following:

- the May 12, 2020, Office of State Planning and Budgeting revenue forecast;
- a school finance bill placeholder for a reduction of \$723.8 million General Fund;
- a placeholder for the reduction of \$202.0 million General Fund through one or more non-JBC package bills; and
- an adjusted statutory General Fund reserve percentage of 3.84 percent equal to \$402.0 million.

This bill requires a General Fund appropriation of \$930,198 for FY 2020-21, thereby decreasing the proposed fiscal year-end General Fund reserve or increasing the proposed placeholder reductions by the same amount.

Bill Sponsor amendment J.002 eliminates the General Fund impact of the bill.

Future Fiscal Impact

The budget package bills reduce or eliminate some appropriations and transfers, and suspend or delay other appropriations and transfers. These bills also augment the amount of money available in the General Fund. Many of these changes apply for FY 2020-21 only, and thus require scheduled increases in General Fund appropriations and transfers in FY 2021-22 and subsequent fiscal years. If J.001 is adopted, this bill will require an additional \$589,362 General Fund in FY 2021-22; if J.002 is adopted, this bill will require an additional \$1,519,560 General Fund in FY 2021-22. Either amendment reduces the amount of General Fund available for appropriations and obligations by the same amount.