

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE REQUIREMENT THAT EMPLOYERS OFFER SICK LEAVE TO THEIR EMPLOYEES.

Prime Sponsors: Sens. Fenberg and Bridges
Reps. Becker and Caraveo

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Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund 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 05/28/20.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	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 Legislative Council Staff Fiscal Note dated 05/28/20 includes costs associated with new staff to be employed for a full year in FY 2020-21. However, the new sick leave requirements take effect January 1, 2021. Furthermore, given the delay in completion of the legislative session, it is unlikely that the Department of Labor and Employment will be able to bring new staff on board prior to September 1. In light of this, the fiscal impact in FY 2020-21 is prorated to \$206,566. Legislative Council Staff agrees with this assessment. This does not change the fiscal impact for FY 2021-22 and subsequent years.

The State, Veterans, and Military Affairs Committee Report (06/03/20) includes 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

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$206,566 to the Department of Labor and Employment for FY 2020-21. This provision also states that the appropriation is based on the assumption that the Department will require an additional 2.7 FTE.

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 \$206,566 for FY 2020-21, thereby decreasing the proposed fiscal year-end General Fund reserve or increasing the proposed placeholder reductions by the same amount.