

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE TRANSFER OF THE COLORADO REFUGEE SERVICES PROGRAM FROM THE DEPARTMENT OF HUMAN SERVICES TO THE OFFICE OF NEW AMERICANS IN THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Representative Jodeh
Senator Gonzales

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Appropriation Items of Note

Appropriation Already Added to Bill, Amendments in Packet

General Fund Impact

Significant Cost Increase in Second Year

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 04/27/23.

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 reengrossed bill includes committee amendments to the bill adopted on second reading in the House (04/29/23), however, Legislative Council Staff and JBC Staff agree that the amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.002	Staff-prepared amendment - technical correction to appropriations clause
L.003	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

The bill includes an appropriations clause that appropriates \$36,523 General Fund to the Department of Labor and Employment for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.4 FTE and the Department will receive \$250,000 federal funds to implement the act.

Description of Amendments in This Packet

J.002 Staff has prepared amendment **J.002** (attached) to make a technical correction to the current appropriations clause to a fix typographical error in the identification of the Office of New Americans.

L.003 Bill Sponsor amendment **L.003** (attached) adjusts the dates by which the Department of Labor and Employment awards grants for immigration legal assistance. The amendment also adds provisions that the Department of Revenue may provide information regarding investigations conducted by the Department of Revenue and tax return reports to the Office of New Americans in the Department of Labor and Employment. Information shared is confidential. Legislative Council Staff and JBC Staff agree that the amendment does not change the fiscal impact of the bill.

The Committee may adopt either J.002 or L.003 or both.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2023-24 based on the March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes two set-asides for legislation outside of the package: (1) \$30.0 million General Fund for bills that create ongoing obligations; and (2) \$469.0 million for bills that create one-time obligations for FY 2023-24 (see table below).

General Fund Appropriation Placeholders for Other 2023 Legislation	
Description	FY 2023-24
Legislation with Ongoing Fiscal Impacts	\$30,000,000
Legislation with One-time Fiscal Impacts	
Workforce-related legislation, including free credentials, math scholarships, adult education, and concurrent enrollment	103,000,000
Housing-related legislation, including property tax relief, land use, and public-private partnerships	221,000,000
Legislation related to topics other than workforce and housing, including rural opportunity, line of duty loss, and Proposition 122 implementation	145,000,000

General Fund Appropriation Placeholders for Other 2023 Legislation	
Subtotal	\$469,000,000
TOTAL Placeholders for Other 2023 Legislation	\$499,000,000

The budget package accounts for the 15.0 percent reserve associated with the above placeholders (a total of \$74.9 million).

This bill creates an ongoing obligation and requires a General Fund appropriation of \$36,523 for FY 2023-24, reducing the \$30.0 million set aside by the same amount.

Future Fiscal Impact

The Revised Fiscal Note identifies a net increase of \$1.3 million total funds in FY 2024-25, which includes \$217,204 General Fund and \$1.1 million federal funds, primarily for the Department of Labor and Employment.

Technical Difference

The Revised Fiscal Note identifies a refinance of federal funds with General Fund in FY 2024-25 (\$79,449) and FY 2025-26 and ongoing (\$105,932) for indirect costs for the Department of Human Services. JBC Staff does not agree that General Fund is the appropriate source of funding for this refinance. The Department of Human Services may access funds in their account in the Indirect Cost Excess Recovery Fund, created in Section 24-75-1401 (2), C.R.S., in the short-term to cover any loss of federal funds related to the transfer of the Colorado Refugee Services Program. Additionally, JBC Staff assumes that any ongoing indirect costs will be redistributed across the various other programs overseen by the Department of Human Services, pursuant to the Department's federal Public Assistance Cost Allocation Plan.