

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE FUNDING OF EMPLOYMENT-RELATED SERVICES IN THE STATE THROUGH THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Bird and Sirota
Sens. Bridges and Zenzinger

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Appropriation Items of Note

Appropriation Already Added to Bill, Amendment in Packet

TABOR 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 03/27/24.

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.001	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

For FY 2023-24, the bill includes an appropriation clause that:

- Shifts \$10,457,137 in appropriations from the ESF to the Tech Fund within program costs line in the Division of Unemployment Insurance;
- Moves \$68,513 SPARC fund program appropriation from one-stop workforce center contracts line to state operations and program costs line in the Division of Employment and Training;
- Reduces ESF appropriations in state operations and program costs by \$3,669,974 and FTE

- by 57.4 in the Division of Employment and Training;
- Reduces ESF appropriations in one-stop workforce center contracts by \$9,829,126 in the Division of Employment and Training;
- Moves \$11,031,925 in federal funding and 36.0 FTE from the one-stop workforce center contracts line to the workforce innovation and opportunity act line in the Division of Employment and Training; and
- Adds appropriations of \$13,499,100 from the workforce services fund and 57.4 FTE to the workforce center program costs line in the new workforce development enterprise in the Division of Employment and Training.

For FY 2024-25, the bill includes an appropriation clause that:

- Adds appropriations of \$14,003,304 from the workforce services fund to the workforce center program costs line item in the new workforce development enterprise in the Division of Employment and Training, however does not include the related 57.4 FTE.

Description of Amendments in This Packet

L.001 Bill Sponsor amendment **L.001** (attached) adds a total revenue cap of \$13.2 million to the Employment and Training Technology Fund beginning July 2023 rather than July 2024. The amendment also adds 57.4 FTE to the related appropriation to the workforce center program costs line item in the new workforce development enterprise in the Division of Employment and Training.

Points to Consider*TABOR/ Excess State Revenues Impact*

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$2.0 billion for FY 2023-24 and \$1.3 billion for FY 2024-25 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund.

This bill is estimated to decrease cash fund revenues by \$49.5 million in FY 2023-24, \$24.5 million in FY 2024-25, and \$24.5 million in FY 2025-26 which will increase the available General Fund in each fiscal year by equal amounts. This bill reduces the TABOR refunds made out of the General Fund by \$49.5 million for FY 2023-24, \$24.5 million in FY 2024-25, and \$24.5 million in FY 2025-26.