

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING INCREASING THE NUMBER OF STUDENTS ENROLLED IN THE COLORADO PRESCHOOL PROGRAM AS PRESCHOOL STUDENTS.

Prime Sponsors: Representative Pettersen
Sens. Kefalas and Todd

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Phone: 303-866-2061
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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 01/12/15.

| | |
|------------|--|
| | 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 fiscal impact discussed in the Legislative Council Staff Fiscal Note dated January 12, 2015 (Fiscal Note), was based on the December 2014 Legislative Council Staff revenue forecast and a forecast inflation rate of 2.7 percent for calendar year 2014. Based on the actual 2014 inflation rate of 2.8 percent and the resulting change in total program funding for school finance, the school finance appropriation required to support 3,000 additional Colorado Preschool Program slots in FY 2015-16 increases from \$11,213,659 General Fund (as discussed in the Fiscal Note) to \$11,239,318, an increase of \$25,659 in the necessary appropriation.

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 a total of \$11,323,076 General Fund for FY 2015-16, including:

- ! \$46,855 to the Department of Education to support departmental administrative costs associated with the additional 3,000 Colorado Preschool Program slots authorized in the bill;

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- ! \$11,239,318 to the Department of Education for the state share of districts' total program funding to support the additional slots; and
- ! \$36,903 to the Department of Human Services for costs associated with the licensing and inspection of child care centers related to the additional 3,000 slots.

The provision also states that the appropriation is based on the assumption that the Department of Education will require an additional 0.5 FTE and the Department of Human Services will require an additional 0.7 FTE.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2015-16 based on the March 2015 Legislative Council Staff revenue forecast. The budget package allocates a total of \$18.5 million General Fund to be available to fund 2015 legislation. If the full \$18.5 million is not used to fund legislation, it will remain in the General Fund reserve.