

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING PROVIDING CENTRALIZED OPERATING SERVICES THROUGH BOARDS OF COOPERATIVE SERVICES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Rankin and Buckner
Senator Todd

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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 02/19/15.

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 Education Committee Report (03/09/15) 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
L.003/J.001	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$10,000,000 cash funds from the State Education Fund to the BOCES Centralized Operating Services Fund, which is created in the bill, for FY 2015-16. The BOCES Centralized Operating Services Fund is continuously appropriated to the Department of Education, and the Department does not require an additional appropriation out of the cash fund for FY 2015-16 or subsequent years.

Description of Amendments in This Packet

L.003 and J.001

Bill Sponsor amendment **L.003** (attached) states that it is the intent of the General Assembly to appropriate \$5.0 million per year from the State Education Fund to the BOCES Centralized Operating Services Fund in FY 2015-16 and FY 2016-17. Amendment **J.001** (attached) adjusts the existing appropriation clause in the bill to appropriate \$5.0 million cash

funds from the State Education Fund for FY 2015-16 to align with amendment L.003. **If the Committee adopts amendment L.003 it should also adopt amendment J.001.**

Points to Consider*State Education Fund Impact*

This bill includes an appropriation of \$10.0 million from the State Education Fund for FY 2015-16. Based on the Legislative Council Staff March 2015 Revenue Forecast, and incorporating appropriations in the FY 2015-16 Long Bill (S.B. 15-234), it is projected that approximately \$300.5 million would remain in the State Education Fund at the end of FY 2015-16. However, that balance is the result of significant transfers of one-time funding from the General Fund, including \$1.074 billion in FY 2013-14, and annual appropriations from the State Education Fund currently exceed annual revenues. For example, the FY 2015-16 Long Bill appropriates \$935.3 million in funds that originate in the State Education Fund (including funds transferred from the State Education Fund to other cash funds), while annual revenues pursuant to Amendment 23 are projected to be \$538.0 million in FY 2015-16 – a revenue shortfall of \$397.3 million or 42 percent of Long Bill appropriations. The use of additional State Education Fund moneys in FY 2015-16 will reduce the amount available in subsequent years and require additional General Fund appropriations once one-time funding in the State Education Fund is depleted.