

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF CAREER PATHWAYS FOR STUDENTS FOR CRITICAL OCCUPATIONS IN GROWING INDUSTRIES.

Prime Sponsors: Reps. Garnett and Melton  
Sens. Kerr and Woods

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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 03/17/15.

	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
<b>XXX</b>	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Business Affairs and Labor Committee Report (03/19/15) includes amendments to the bill. Although Legislative Council Staff initially concluded that the committee amendments did not change the fiscal impact of the bill, the Department of Higher Education subsequently reported that a less personalized version of the on-line tool required by the amended bill could be built at lower cost than originally estimated.

In addition, the fiscal note did not correctly allocate the total appropriation required between the Department of Labor and Employment and the Colorado Community College System.

Updated amounts are shown in the table below. Legislative Council Staff concurs with this analysis. As reflected in the *Points to Consider*, the amounts for on-line tool development and maintenance may be adjusted further.

	FY 2015-16	FY 2016-17
<b>Department of Labor and Employment</b>		
<b>Workforce Development Council</b>		
Personal Services (1.5 FTE)	\$95,699	\$95,699
Operating Expenses	8,480	1,425
Other expenses: Business Partnership Summits, Career Pathway Program Design, and Faculty/Partner Staff Development	180,864	180,864

	FY 2015-16	FY 2016-17
<i>Centrally appropriated amounts*</i>	<u>0</u>	<u>20,269</u>
Subtotal	<b>285,043</b>	<b>298,257</b>
<b>Department of Higher Education</b>		
<b>State Community College System</b>		
Personal Services	76,960	76,960
Travel	<u>10,000</u>	<u>10,000</u>
Subtotal	<b>86,960</b>	<b>86,960</b>
<b>Department of Higher Education</b>		
<b>Colorado Commission on Higher Education, Administration</b>		
On-line tool development and maintenance	200,000	200,000
<b>Total</b>	<b>\$572,003</b>	<b>\$585,217</b>

\*Estimated cost of \$19,497 not appropriated in FY 2015-16 pursuant to JBC common policy

**Amendments in This Packet for Consideration by Appropriations Committee**

Amendment	Description
J.001	Staff-prepared appropriation amendment
L.003/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

**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 \$572,003 General Fund and \$86,960 reappropriated funds for this act for FY 2015-16. This amount includes: \$285,043 General Fund to the Department of Labor and Employment for the Workforce Development Council, based on the assumption that the Council will require an additional 2.5 FTE; \$200,000 General Fund to the Department of Higher Education for Colorado Commission on Higher Education administration; and \$86,960 General Fund to the Department of Higher Education for fee-for-service contracts with state institutions. This \$86,960 is reappropriated to the state community college system.

**L.003 and J.002**

Bill Sponsor amendment **L.003** (attached) adds a statutory provision enabling amounts reappropriated to the community college system in this act to be designated for the purposes outlined in the act in future years. If this provision is not adopted, in FY 2016-17, the appropriation for the community college system would be included in the higher education funding model allocation process that annually reallocates higher education funding based on institutional role and mission, performance, and student stipends. Amendment **J.002** makes a conforming adjustment to the appropriation described for J.001. The Committee may adopt J.001 or may adopt **L.003 and J.002**.

**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.

*Technical Issues*

Based on preliminary consultation with Joint Technology Committee staff, JBC staff believes that the amounts for on-line tool development and maintenance could potentially be reduced further. Thus, the amount shown for this component of the fiscal analysis (\$200,000 per year) should be considered preliminary and may be reduced in future fiscal notes.