

JBC Staff Fiscal Analysis
Senate Appropriations Committee

Concerning the cash funds created in connection with money retained by the department of revenue to mitigate the administrative costs incurred by the department in collecting certain charges.

Prime Sponsors:

Representatives Hartsook; Stewart R.
Senators Frizell; Snyder

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JBC Analyst:

Jon Catlett
303-866-4386

Fiscal Impacts

Appropriation Not Required, No Amendment in Packet
New Cash Fund (with Continuous Appropriation)

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/20/26.

The House Appropriations Committee report (05/04/26) adopted on second reading in the House (05/04/26) included an amendment requiring the Department to submit an annual report to the Joint Budget Committee detailing the costs of collecting, administering, and enforcing each fee supported by the Cost Recovery Cash Fund. Legislative Council Staff and JBC staff agree that this provision does not change the fiscal impact of the bill.

Amendments in This Packet

None.

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2026-27.

Points to Consider

Legislative Appropriation Authority

Continuous spending authority, also known as continuous appropriation, allows state agencies to spend money for statutorily specified purposes up to the total amount available in a specified fund source without seeking further legislative approval through the budget process.

The term appropriation is broadly understood as expressing or conveying legal spending authority. However, the term appropriation also inherently expresses fundamental legislative fiscal authority by communicating a limit on or maximum amount of spending from a specified fund source for a defined period such as a fiscal year. While continuous spending authority also expresses or conveys legal spending authority it does so by eliminating legislative fiscal authority and oversight.

An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority. This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process. Is it necessary for the Department of Revenue to not seek annual authority from the General Assembly to spend money from the Cost Recovery Cash Fund?