

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF AN ENTERPRISE THAT IS EXEMPT FROM THE REQUIREMENTS OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION TO ADMINISTER A FEE-BASED WASTE DIVERSION GRANT PROGRAM.

Prime Sponsors: Sens. Winter and Priola
Reps. Jackson and Cutter

JBC Analyst: Tom Dermody
Phone: 303-866-4963
Date Prepared: April 22, 2019

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 03/19/19.

	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>
XXX	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 Senate Local Government Committee Report (03/21/19) and Senate Finance Committee Report (04/02/19) adopted on Second Reading in the Senate include 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.

The House Finance Committee Report (04/19/19) includes amendments to the bill that will reduce fee revenue by an estimated 15.0 percent, and will increase expenditures by an estimated \$50,000 cash funds every two to three years starting in FY 2020-21. Legislative Council Staff and JBC Staff agree on the fiscal impact of the amendments to the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2019-20.

Points to Consider*TABOR/ Excess State Revenues Impact*

This bill creates the Front Range Waste Diversion Enterprise in the Department of Public Health and Environment as a Type 1 transfer. Enterprise revenue is exempt from "fiscal year spending" as defined by Section 20 of Article X of the State Constitution, so this bill would not affect the amount of state revenue that is subject to the spending limit in the Taxpayer's Bill of Rights (TABOR).

Legislative Authority

Is it necessary to "continuously appropriate" money in the Front Range Waste Diversion Cash Fund? This method of funding the activities of the Enterprise essentially moves related expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process.