

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING A TEMPORARY REDUCTION IN THE TOTAL AMOUNT OF ROAD USER CHARGES TO BE IMPOSED DURING STATE FISCAL YEARS 2022-23 AND 2023-24, AND, IN CONNECTION THEREWITH, TEMPORARILY REDUCING GAS PRICES AND MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Roberts and McLachlan
Senator Pettersen

JBC Analyst: Andrea Uhl
Phone: 303-866-4956
Date Prepared: April 28, 2022

Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

General Fund/TABOR Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/21/22.

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 House Appropriation Committee Report (04/22/22), adopted in the House on second reading (04/22/22), includes an appropriation amendment consistent with fiscal impact identified in the Revised Fiscal Note.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$5,850 General Fund to the Department of Revenue for FY 2022-23.

Points to Consider*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates a one-time obligation and includes a General Fund transfer of \$78.5 million for FY 2022-23, reducing the \$900.0 million set aside by the same amount. This bill also requires a one-time General Fund appropriation of \$5,850 for FY 2022-23, reducing the \$900.0 million set aside by \$6,728 in order to maintain a 15.0 percent statutory General Fund reserve.

TABOR/ Excess State Revenues Impact

The March 2022 Legislative Council Staff (LCS) revenue forecast projects a TABOR surplus liability of \$1.6 billion for FY 2022-23 and \$622.6 million for FY 2023-24 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund. The budget package includes a set aside of \$40.0 million General Fund for FY 2022-23, plus \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations.

This bill is estimated to decrease cash fund revenues by \$61.5 million in FY 2022-23 and by \$17.0 million in FY 2023-24, which will increase the available General Fund by an equal amount. This bill reduces the TABOR refund made out of the General Fund by \$61.5 million for FY 2022-23, increasing the \$900.0 million General Fund one-time set aside by the same amount.