

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING CARBON MANAGEMENT, AND, IN CONNECTION THEREWITH, ENSURING THAT CARBON MANAGEMENT PROJECTS ARE ELIGIBLE FOR GRANTS UNDER THE INDUSTRIAL AND MANUFACTURING OPERATIONS CLEAN AIR GRANT PROGRAM AND PROVIDING FOR THE CREATION OF A CARBON MANAGEMENT ROADMAP.

Prime Sponsors: Representative Dickson
Senator Hansen

JBC Analyst: Mitch Burmeister
Phone: 303-866-3147
Date Prepared: April 10, 2023

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

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 02/20/23.

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 Energy & Environment Committee Report (03/09/23) 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
J.001	Staff-prepared appropriation amendment
L.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 \$135,533 General Fund to the Office of the Governor for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Office will require an additional 0.4 FTE.

L.002 Bill Sponsor amendment **L.002** (attached) adds a provision that increases the percentage of money in the Industrial and Manufacturing Operations Clean Air Grant Program Cash Fund that can be used to administer the fund from 9.0 percent to 10.0 percent. This provision also shifts funding for the bill from the General Fund to the fund. If adopted, this amendment would remove both the General Fund impact and the need for an appropriation.

If amendment L.002 is adopted, the Committee should NOT adopt amendment J.001.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2023-24 based on the March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes two set-asides for legislation outside of the package: (1) \$30.0 million General Fund for bills that create ongoing obligations; and (2) \$469.0 million for bills that create one-time obligations for FY 2023-24 (see table below).

General Fund Appropriation Placeholders for Other 2023 Legislation	
Description	FY 2023-24
Legislation with Ongoing Fiscal Impacts	\$30,000,000
Legislation with One-time Fiscal Impacts	
Workforce-related legislation, including free credentials, math scholarships, adult education, and concurrent enrollment	103,000,000
Housing-related legislation, including property tax relief, land use, and public-private partnerships	221,000,000
Legislation related to topics other than workforce and housing, including rural opportunity, line of duty loss, and Proposition 122 implementation	145,000,000
Subtotal	\$469,000,000
TOTAL Placeholders for Other 2023 Legislation	\$499,000,000

The budget package accounts for the 15.0 percent reserve associated with the above placeholders (a total of \$74.9 million).

This bill creates an ongoing obligation and requires a General Fund appropriation of \$135,533 for

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FY 2023-24, reducing the \$30.0 million set aside by the same amount.

Adoption of amendment L.002 would eliminate this General Fund impact.