

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO PROMOTE REDUCTIONS IN GREENHOUSE GAS EMISSIONS IN COLORADO.

Prime Sponsors: Senator Hansen
Reps. McCormick and Sirota

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Date Prepared: April 3, 2023

Appropriation Items of Note

Appropriation Required, 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 03/13/23.

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

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

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 \$387,785 General Fund and \$191,790 cash funds as follows:

- \$288,016 General Fund to the Department of Public Health and Environment and 1.4 FTE;
- \$99,769 General Fund to the Department of Revenue and 0.7 FTE; and
- \$191,790 cash funds from the Oil and Gas Conservation and Environmental Response Fund to the Department of Natural Resources and 1.6 FTE.

SB23-016**JBC Staff Analysis**

- Additionally, the amendment reappropriates \$158,610 to the Department of Law and 0.8 FTE.

A total of \$191,790 cash funds is appropriated from the Oil and Gas Conservation and Environmental Response Fund to the Department of Natural Resources for FY 2023-24, based on the assumption that the Department will require an additional 1.6 FTE. Of that amount, \$21,148 is reappropriated to the Department of Law, based on the assumption that the Department will require an additional 0.1 FTE.

A further \$288,016 General Fund is appropriated to the Department of Public Health and Environment for FY 2023-24, based on the assumption that the Department will require an additional 1.4 FTE. Of that amount, \$137,462 is reappropriated to the Department of Law, based on the assumption that the Department will require an additional 0.7 FTE.

A further \$99,769 General Fund is appropriated to the Department of Revenue for FY 2023-24, based on the assumption that the Department will require an additional 0.7 FTE.

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

SB23-016**JBC Staff Analysis**

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 \$387,785 for FY 2023-24, reducing the \$30.0 million set aside by the same amount.

TABOR/ Excess State Revenues Impact

The March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$720.9 million for FY 2023-24 and \$1.2 billion for FY 2024-25. These sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$5.4 million in FY 2023-24 and by \$11.2 million in FY 2024-25, which will result in a decrease in the TABOR surplus liability of equal amounts.