



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated March 27, 2023)

Drafting Number: LLS 23-0419 Date: April 12, 2023
Prime Sponsors: Sen. Zenzinger; Kirkmeyer Bill Status: Committee Conference
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Bill Topic: PUBLIC SCHOOL CAPITAL CONSTRUCTION ASSISTANCE GRANTS

- Summary of Fiscal Impact:
State Revenue (checkbox)
State Expenditure (checkbox)
State Transfer (checkbox)
TABOR Refund (checkbox)
School District (checkbox)
Statutory Public Entity (checkbox)

Budget package bill. The bill authorizes unspent money for air quality improvements to instead be used for school capital construction assistance grants and repeals a scheduled transfer from the Marijuana Tax Cash Fund and creates a new transfer from the General Fund to the Public School Capital Construction Assistance Fund. After accounting for these adjustments, the bill decreases state expenditures in FY 2023-24.

Appropriation Summary: For FY 2023-24, the bill requires and includes a reduction in appropriations of \$24.3 million to the Colorado Department of Education.

Fiscal Note Status: This revised fiscal note reflects the rerevised bill. It was recommended by the Joint Budget Committee as part of its FY 2023-24 budget package.

Table 1
State Fiscal Impacts Under SB 23-220

Table with 4 columns: Category, Current Year FY 2022-23, Budget Year FY 2023-24, Out Year FY 2024-25. Rows include Revenue, Expenditures (Public School Cap. Constr. Fund, Total Expenditures), Transfers (General Fund, Public School Cap. Constr. Fund, Marijuana Tax Cash Fund, Net Transfer), and Other Budget Impacts.

## **Summary of Legislation**

The bill authorizes unspent funds from an FY 2021-22 appropriation for air quality improvement projects in schools to instead be used in FY 2023-24 for public school capital construction assistance grants under the Building Excellent Schools Today (BEST) program. It also repeals a transfer from the Marijuana Tax Cash Fund to the Public School Capital Construction Assistance Fund scheduled to occur on June 1, 2023. Lastly, it creates a new transfer of \$1 million from the General Fund to the Public School Capital Construction Assistance Fund on June 1, 2023.

## **State Transfers**

The bill repeals a \$30 million transfer from the Marijuana Tax Cash Fund to the Public School Capital Construction Assistance Fund that was scheduled to occur in the current FY 2022-23. It also transfers \$1 million from the General Fund to the Public School Capital Construction Assistance Fund in the current FY 2022-23.

## **State Expenditures**

On net, the bill reduces expenditures in the Colorado Department of Education by \$24.3 million in FY 2023-24. This change represents the net reduction in grant spending for the BEST program on public school capital construction after accounting for:

- a reduction of \$30,000,000 from the repealed transfer described above;
- an increase of \$1,000,000 from the General Fund transfer described above; and
- an increase of \$4,705,220 from authorizing previously unspent funds to be used for grants.

## **School District**

The bill reduces the amount of capital construction grant funding available to school districts participating in the BEST program.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

For FY 2023-24, the bill requires and includes a reduction in appropriations to the Colorado Department of Education of \$24,294,780 from the Public School Capital Construction Assistance Fund.

## **State and Local Government Contacts**

Education

Joint Budget Committee Staff