

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE PROPERTY TAX TASK FORCE.

Prime Sponsors: Representative Snyder
Senator Mullica

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Phone: 303-866-3481
Date Prepared: November 17, 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 Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 11/17/23.

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
L.003	Bill Sponsor amendment - does not change fiscal impact

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 \$80,271 General Fund to the Legislative Department for FY 2023-24. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.9 FTE.

L.003 Bill Sponsor amendment **L.003** (attached) requires the Commission on Property Tax to contract with a facilitator no later than November 27, 2023, to guide the work of the Commission and to assist in drafting the report required by the bill. The amendment also authorizes the Executive Committee of the Legislative Council to allocate money from the Legislative Department Cash Fund to pay for the costs of facilitation, public outreach and engagement, and other necessary services. Given the authorization for the Executive Committee to allocate the funds, JBC Staff assumes that the amendment intends for the Legislative Department Cash Fund to support those expenses. As the Legislative Department Cash Fund is continuously appropriated, Legislative Council Staff and JBC Staff agree that amendment **L.003** does not require an additional appropriation.

Points to Consider

General Fund Impact

This bill requires a General Fund appropriation of \$80,271 for FY 2023-24, reducing the amount of General Fund available for other purposes in FY 2023-24 or FY 2024-25 by the same amount.

FY 2023-24 General Fund Reserve. The required General Fund reserve for the fiscal year ending June 30, 2024 is 15.0 percent of FY 2023-24 General Fund appropriations. Based on the September 2023 economic forecasts, both OSPB and LCS anticipate the General Fund reserve for the fiscal year ending June 30, 2024 to exceed the statutorily required reserve. OSPB anticipates an excess reserve of \$183.7 million and LCS anticipates an excess reserve of \$1.5 million.

Technical Issue

Sponsor Amendment **L.003** requires the Commission on Property Tax to hire a facilitator to support the Commission's work. The amendment also authorizes, but does not require, the Executive Committee of the Legislative Council to allocate funds from the Legislative Department Cash Fund to pay for the facilitation services. This JBC Staff Fiscal Analysis assumes that the intent of the amendment is to use the Legislative Department Cash Fund to pay for the facilitation. As that fund is continuously appropriated, no appropriation is necessary. However, if the Executive Committee of the Legislative Council does not choose to allocate funds for those services then an additional General Fund appropriation may be necessary to pay for the facilitation.