

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO INCREASE THE AFFORDABILITY OF HOUSING IN TRANSIT-ORIENTED COMMUNITIES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Woodrow and Jodeh
Sens. Hansen and Winter F.

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Date Prepared: May 1, 2024

Appropriation Items of Note

Appropriation Already Added to Bill, Amendments in Packet

General Fund Impact

New Cash Fund (with Continuous Appropriation)

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 05/01/24.

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
L.104	Bill Sponsor amendment - does not change fiscal impact
L.105	Bill Sponsor amendment - does not change fiscal impact
L.106	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$183,138 General Fund to the Office of the Governor for FY 2024-25. This provision also states that the appropriation is based on the assumption that the Office will require an additional 0.8 FTE. The appropriation clause also provides \$70,000 reappropriated funds from the Department of Local Affairs to the Office of Information

HB24-1313

JBC Staff Analysis

Technology for FY 2024-25.

Description of Amendments in This Packet

L.104 Bill Sponsor amendment **L.104** (attached) adds language specifying that the bill does not prevent a transit-oriented community from allowing commercial, business, or mixed-uses on a parcel in a designated transit center or denying or conditioning development projects or building permit approvals for a failure to meet the requirements of a traffic study that is conducted using objective standards.

L.105 Bill Sponsor amendment **L.105** (attached) adds an additional parcel type to the list of parcels that are exempt from the bill and requires the Department of Local Affairs to publish a walkshed map in conjunction with the required transit area map.

L.106 Bill Sponsor amendment **L.106** (attached) makes changes to the definition of a parcel that is exempt from the bill due to residential use being prevented or limited to less than forty dwelling units per acre by state regulation, federal regulation, or deed restriction.

The Committee may adopt any combination of amendments L.104, L.105, and L.106.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$63.1 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders (a total of \$9.5 million).

General Fund Appropriation Placeholders for Other 2024 Legislation	
Description	FY 2024-25
General Legislative Priorities	\$21,739,130
Legislation for Shared Housing Priorities	12,043,478
Legislation for Shared Workforce and Education Priorities	16,152,110
Legislation for Other Shared Priorities	10,519,130
Legislation for Distributions to Rural Hospitals	2,608,689
TOTAL Placeholders for Other 2024 Legislation	\$63,062,537

This bill includes a General Fund transfer of \$35.0 million and a General Fund appropriation of \$183,138 for FY 2024-25, reducing the \$63.1 million set aside by \$35,183,138.

Legislative Appropriation Authority

Continuous spending authority, also known as **continuous appropriation**, allows state agencies to spend money for statutorily specified purposes up to the total amount available in a specified fund source without seeking further legislative approval through the budget process.

The term *appropriation* is broadly understood as expressing or conveying legal spending authority. However, the term *appropriation* also inherently expresses fundamental legislative fiscal authority by communicating a *limit* on or maximum amount of spending from a specified fund source for a defined period such as a fiscal year. While continuous spending authority also expresses or conveys legal spending authority it does so by eliminating legislative fiscal authority and oversight.

An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority. This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process.

Is it necessary for the Department of Local Affairs to **not** seek annual authority from the General Assembly to spend money from Transit-oriented Communities Infrastructure Fund?