

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING ECONOMIC MEASURES RELATED TO COAL TRANSITION COMMUNITIES, AND, IN CONNECTION THEREWITH, CREATING AN INCOME TAX CREDIT FOR QUALIFIED COSTS INCURRED IN THE USE OF CERTAIN FREIGHT RAIL LINES; CREATING AN INCOME TAX CREDIT FOR QUALIFIED COSTS INCURRED IN THE MAINTENANCE, OPERATION, AND IMPROVEMENT OF CERTAIN RAIL LINES; EXPANDING THE RURAL OPPORTUNITY OFFICE'S DUTIES IN RELATION TO COAL TRANSITION COMMUNITIES; ALLOWING COAL TRANSITION COMMUNITIES TO QUALIFY AS ENTERPRISE ZONES AND ENHANCED RURAL ENTERPRISE ZONES; RESTRICTING THE LENGTH OF CONTRACTS THAT ALLOW USE OF THE MOFFAT TUNNEL; RESTRICTING THE ABILITY TO PURCHASE REAL PROPERTY INTERESTS OF THE MOFFAT TUNNEL IMPROVEMENT DISTRICT; AND MAKING AN APPROPRIATION.

Prime Sponsors: Senator Roberts  
Reps. Lukens and McCluskie

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Date Prepared: April 25, 2024

**Appropriation Items of Note**

**Appropriation Already Added to Bill, No Amendment in Packet**

**General Fund/TABOR Impact**

**Significant Cost Increase in Second, Third, and Fourth Year**

**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 04/22/24.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Finance Committee Report (04/09/24) and the Senate Appropriations Committee Report (04/16/24) includes amendments to the bill which were adopted by the Senate with a floor amendment on second reading (04/18/24). Legislative Council Staff and JBC Staff agree that the amendments do not change the fiscal impact of the bill.

**Amendments in This Packet for Consideration by Appropriations Committee**

Amendment	Description
None.	

**Current Appropriations Clause in Bill**

The bill includes an appropriation clause that appropriates \$215,021 General Fund to the Office of Economic Development and International Trade in 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 1.5 FTE.

**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
<b>TOTAL Placeholders for Other 2024 Legislation</b>	<b>\$63,062,537</b>

This bill requires a General Fund appropriation of \$215,021 for FY 2024-25, reducing the \$63.1 million set aside by the same amount.

*Future Fiscal Impact*

This bill is estimated to reduce General Fund revenues by \$1.4 million in FY 2025-26, by \$5.4 million in FY 2026-27, and by \$8.2 million in FY 2027-28, reducing the amount of General Fund available for other purposes.

*TABOR/ Excess State Revenues Impact*

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a

**SB24-190****JBC Staff Analysis**

TABOR surplus liability of \$1.3 billion for FY 2024-25 and \$1.8 billion for FY 2025-26 to be refunded to taxpayers out of the General Fund. These sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by an estimated \$1.4 million in FY 2025-26, which will result in a decrease in the TABOR surplus liability.