

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO MITIGATE OZONE POLLUTION IN THE STATE, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Winter F. and Priola
Reps. Bacon and Willford

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Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

General Fund/TABOR Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/01/24.

	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>
XXX	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

The Finance Committee Report (05/04/24) includes amendments to the appropriations clause for the bill, which increases the appropriation to the Department of Public Health and Environment by \$260,229 General Fund and 2.5 FTE to implement the bill. Legislative Council Staff and the JBC Staff agree on the fiscal impact of the change.

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 \$753,157 General Fund to the Department of Public Health and Environment for FY 2024-25. Of this amount, \$115,218 is further appropriated to the Department of Law. Furthermore, the Department of Natural Resources is appropriated \$179,127 cash funds from the Energy and Carbon Management Cash Fund for FY 2024-25. This

provision also states that the appropriation is based on the assumption that the Department of Public Health will require an additional 3.3 FTE, the Department of Law will require an additional 0.5 FTE, and the Department of Natural Resources will require an additional 2.0 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
TOTAL Placeholders for Other 2024 Legislation	\$63,062,537

This bill requires a General Fund appropriation of \$753,157 for FY 2024-25, reducing the \$63.1 million set aside by the same amount.

TABOR/ Excess State Revenues Impact

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a 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. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund.

This bill is estimated to increase cash fund revenues by \$347,718 in FY 2025-26, which will reduce the available General Fund in each fiscal year by an equal amount.