



**Colorado
Legislative
Council
Staff**

HB16-1416

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-1209
Prime Sponsor(s): Rep. Hamner
Sen. Lambert

Date: March 28, 2016
Bill Status: House Appropriations
Fiscal Analyst: Larson Silbaugh (303-866-4720)

BILL TOPIC: STATE INFRASTRUCTURE GENERAL FUND TRANSFERS

Fiscal Impact Summary	FY 2015-2016 <i>(current year)</i>	FY 2016-2017	FY 2017-18
State Revenue <i>State Transfers</i> General Fund Highway Users Tax Fund		<u>\$0.0 million</u> 52.7 million (52.7 million)	
State Expenditures			
Appropriation Required: None.			
Future Year Impacts: None.			

Summary of Legislation

Under current law, the size of Senate Bill 228 transfers are partially determined by the size of the TABOR refund as a percent of General Fund revenue collections. **Recommended by the Joint Budget Committee**, this bill replaces the SB 228 transfers from the General Fund to the Highway Users Tax Fund (HUTF) and the Capital Construction Fund (CCF) with actual dollar amounts. The bill transfers \$199.2 million in FY 2015-16 and \$158.0 million in FY 2016-17 to the HUTF and \$49.8 million in FY 2015-16 and \$52.7 million in FY 2016-17 to the CCF.

There is no change in how transfers are calculated in FY 2017-18 through FY 2019-20.

Background

SB 09-228 required transfers from the General Fund to the HUTF and CCF if certain conditions were met. The transfers were required in the five years following the calendar year that Colorado personal income grew by 5.0 percent. Colorado personal income grew 6.2 percent in 2014 triggering the first transfers in FY 2015-16. Table 1 shows the transfer amounts in current law.

Table 1. SB 09-228 Transfers to the HUTF and CCF		
Fiscal Year	Highway Users Tax Fund	Capital Construction Fund
FY 2015-16	2.0% of General Fund Revenue	0.5% of General Fund Revenue
FY 2016-17	2.0% of General Fund Revenue	0.5% of General Fund Revenue
FY 2017-18	2.0% of General Fund Revenue	1.0% of General Fund Revenue
FY 2018-19	2.0% of General Fund Revenue	1.0% of General Fund Revenue
FY 2019-20	2.0% of General Fund Revenue	1.0% of General Fund Revenue

If the TABOR surplus exceeds 1.0 percent of General Fund revenue but is less than 3.0 percent of General Fund revenue, the transfers are reduced by 50 percent. If the TABOR surplus exceeds 3.0 percent of General Fund revenue the transfers are eliminated.

State Transfers

Compared to the March 2016 Legislative Council Staff forecast, the transfer to the HUTF will be reduced by \$52.7 million in FY 2016-17. This money will be available for appropriation from the General Fund. Table 2 shows the current law transfers based on the March Legislative Council Staff forecast and the transfers in HB 16-1416.

Table 2. Difference between SB 09-228 Transfers and HB 16-1416						
<i>Dollars in millions</i>						
Fiscal Year	Highway Users Tax Fund			Capital Construction Fund		
	SB 09-228*	HB 16-1416	Difference	SB 09-228*	HB 16-1416	Difference
FY 2015-16	\$199.2	\$199.2	\$0	\$49.8	\$49.8	\$0
FY 2016-17	\$210.7	\$158.0	(\$52.7)	\$52.7	\$52.7	\$0
FY 2017-18	No Change			No Change		
FY 2018-19	No Change			No Change		
FY 2019-20	No Change			No Change		

**Based on the March 2016 Legislative Council Staff forecast.*

The transfer amounts under current law are based on forecasts for General Fund revenue and the TABOR surplus. Transfer amounts may be higher or lower depending on actual revenue collections and the TABOR surplus.

Effective Date

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

State and Local Government Contacts

Transportation Joint Budget Committee Legislative Council Staff