

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE ISSUANCE OF A LEASE-PURCHASE AGREEMENT TO FUND THE CONTINUATIONS OF CERTAIN PREVIOUSLY FUNDED CAPITAL CONSTRUCTION PROJECTS.

Prime Sponsors: Sens. Fields and Sonnenberg  
Reps. Valdez A. and Rich

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Date Prepared: June 9, 2020

**Appropriation Items of Note**

**Appropriation Not Required, No Amendment in Packet**

**Significant Cost Increase in Second (or Third) Year**

**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 06/05/20.

	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
<b>XXX</b>	<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 bill specifies that annual appropriations for repayment shall not exceed \$5.5 million per year. It is anticipated that annual appropriations of up to \$5.5 million per year will be required beginning in FY 2021-22. It is assumed that this payment will be provided from General Fund directly or through a transfer to the Capital Construction Fund. Legislative Council Staff agrees with this update.

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

Amendment	Description
None.	

**Current Appropriations Clause in Bill**

The bill neither requires nor contains an appropriation clause for FY 2020-21.

**Points to Consider***Future Fiscal Impact*

The Joint Budget Committee has proposed a budget package for FY 2020-21. The budget package bills reduce or eliminate some appropriations and transfers, and suspend or delay other appropriations and transfers. These bills also augment the amount of money available in the General Fund. Joint Budget Committee staff estimates that at least \$1.7 billion, and up to \$2.8 billion when federal CARES act funding is included, consist of one-time budget measures. Many of these changes apply for FY 2020-21 only, and thus require scheduled increases in General Fund appropriations and transfers in FY 2021-22 and subsequent fiscal years. These amounts represent the 'deficit' with which the Joint Budget Committee and General Assembly would begin balancing efforts in FY 2021-22 without an offsetting increase in forecasted revenue. This bill would not require a General Fund appropriation for FY 2020-21. However, it is projected to require General Fund appropriations of up to \$5.5 million in FY 2021-22 and future years until the COP payments are completed, further increasing the base General Fund commitment in those fiscal years. This further reduces the amount of General Fund available for appropriations and obligations by the same amount.