



**Legislative
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FISCAL NOTE

Drafting Number: LLS 20B-0026
Prime Sponsors: Sen. Moreno
 Rep. McCluskie

Date: November 30, 2020
Bill Status: Senate Finance
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Bill Topic: **TRANSFER TO MAKE MONEY AVAILABLE FOR COVID EMERGENCY**

- Summary of Fiscal Impact:**
- State Revenue
 - State Expenditure
 - State Transfer
 - TABOR Refund
 - Local Government
 - Statutory Public Entity

This bill transfers \$100 million from the General Fund to the Controlled Maintenance Trust Fund in the current FY 2020-21 and allows the Governor to transfer these funds to the Disaster Emergency Fund, if needed, to respond to the COVID emergency during the current fiscal year.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

**Table 1
State Fiscal Impacts Under SB 20B-004**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures		-	-
Transfers	General Fund	(\$100.0 million)	-
	Cash Funds	\$100.0 million	-
	Total	\$0	-
TABOR Refund		-	-

Summary of Legislation

This bill transfers \$100 million from the General Fund to the Controlled Maintenance Trust Fund in the current FY 2020-21. In addition, it allows the Governor to transfer some or all of this amount to the Disaster Emergency Fund before July 1, 2021, if additional funding is needed to respond to the current COVID emergency. Any funds not transferred for emergency COVID purposes in the current fiscal year are to remain in the Controlled Maintenance Trust Fund.

Background

TABOR requires the state to maintain an emergency reserve, which may include money in specified funds or other state assets such as buildings and property. These reserves must be at least three percent of state fiscal year spending and may be used during a declared disaster emergency. As outlined in the legislative declaration in the bill, the Governor has encumbered approximately \$286 million from the Disaster Emergency Fund to respond to the COVID-19 pandemic, which included \$73 million previously transferred from the Controlled Maintenance Trust Fund that was set aside as the part of the state emergency reserve. For additional information, see this [LCS memorandum on the state emergency reserve](#).

State Transfers

The bill makes a one-time transfer of \$100 million from the General Fund to the Controlled Maintenance Trust Fund in the current FY 2020-21. If needed for COVID-19 emergency purposes, this money may be further transferred to the Disaster Emergency Fund by the Governor. If not used for COVID-19 emergency purposes, the funds will remain in the Controlled Maintenance Trust Fund for use in FY 2021-22.

Effective Date

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

State and Local Government Contacts

Governor
Joint Budget Committee
Treasury

Information Technology
Personnel and Administration