

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE ADOPTION OF STATUTORY CHANGES RELATED TO CONSERVATION EASEMENTS THAT WERE RECOMMENDED BY THE CONSERVATION EASEMENT WORKING GROUP CONVENED IN ACCORDANCE WITH HOUSE BILL 19-1264, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Sonnenberg and Winter
Reps. Roberts and Will

JBC Analyst: Alfredo Kemm
Phone: 303-866-4549
Date Prepared: June 7, 2021

Appropriation Items of Note

Appropriation Already Added to Bill, Amendment in Packet

General Fund Impact

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 06/03/21.

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| XXX | 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> |
| | 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 |

Amendments in This Packet for Consideration by Appropriations Committee

| Amendment | Description |
|------------------|--|
| J.004 | Staff-prepared appropriation amendment |

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates a total of \$1,500,000 General Fund, including \$1,173,012 to the Department of Revenue and \$326,988 to the Department of Regulatory Agencies for FY 2021-22. This provision further appropriates \$1,165,434 reappropriated funds to the Department of Law and \$14,709 reappropriated funds to the Department of Personnel. This provision also states that the appropriation is based on the assumption that the Departments of Revenue, Regulatory Agencies, and Law will require an additional 0.4 FTE, 0.9 FTE, and 6.1 FTE, respectively.

The current appropriation clause, adopted in Senate Appropriations, assumes that activity related to the purpose of the bill will involve only one-third of the activity identified in the Revised Fiscal Note for the total population of potential claims to be addressed.

Based on assumptions from the Departments of Revenue and Regulatory Agencies for expenditures necessary for the total population of potential claims to be addressed, the Revised Fiscal Note identifies a total appropriation of \$4,070,341 General Fund, including \$3,089,376 to the Department of Revenue and \$980,965 to the Department of Regulatory Agencies for FY 2021-22, and reappropriations of \$3,496,305 and \$44,126 to the Departments of Law and Personnel, respectively. This adjustment requires an additional \$2,570,341 General Fund and the notation of an additional 14.3 FTE.

Description of Amendments in This Packet

J.004 Staff has prepared amendment **J.004** (attached) which makes incremental adjustments totaling an additional \$2,570,341 General Fund to the existing appropriations clause. The amended appropriation includes a total of \$4,070,341 General Fund, including \$3,089,376 to the Department of Revenue and \$980,965 to the Department of Regulatory Agencies for FY 2021-22. This provision further appropriates \$3,496,305 reappropriated funds to the Department of Law and \$44,126 reappropriated funds to the Department of Personnel. This provision also states that the appropriation is based on the assumption that the Departments of Revenue, Regulatory Agencies, and Law will require an additional 1.3 FTE, 2.7 FTE, and 17.7 FTE, respectively.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2021-22 based on the March 2021 Legislative Council Staff revenue forecast. The budget package includes a set aside of \$48.0 million General Fund for bills that require General Fund appropriations for FY 2021-22.

This bill is anticipated to reduce General Fund revenues by \$8.5 million in FY 2020-21 and \$17.1 million in FY 2021-22 and to require a General Fund appropriation of \$4,070,341 in FY 2021-22. Together, these changes will reduce the \$48.0 million General Fund set aside for FY 2021-22 appropriations by \$29.7 million. In subsequent years, the bill is anticipated to reduce annual General Fund revenues by an estimated \$17.1 million and require annual General Fund appropriations of \$2.0 million in years thereafter.

As currently amended, the bill reduces General Fund revenue by \$27.1 million including revenue reductions of \$8.5 million and \$17.1 million in FY 2020-21 and FY 2021-22, respectively, and General Fund appropriations of \$1,500,000 in FY 2021-22.