

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING MANAGING WILD HORSES, AND, IN CONNECTION THEREWITH, CREATING AN ENTITY TO SUPPORT MANAGEMENT OF WILD HORSE HERDS IN COLORADO, SEEKING LONG-TERM SOLUTIONS FOR HORSES REMOVED FROM THE WILD RANGE, AND MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Ginal and Will
Reps. Duran and Lynch

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Date Prepared: April 24, 2023

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

New Cash Fund (with Continuous Appropriation)

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 04/18/23.

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.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$400,000 to the Department of Agriculture from the Wild Horse Project Fund. However, the Fund is continuously appropriated and therefore does not require an appropriation. Additionally, the current appropriation clause does not include appropriations to the Legislative Department and Department of Law as identified in the LCS Fiscal Note.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to change the existing appropriation clause for FY 2023-24 to: delete the current appropriation to the Department of Agriculture; appropriate \$21,148 to the Department of Law from funds received from the Department of Agriculture from the continuously appropriated Wild Horse Project Fund; and appropriate \$1,654 General Fund to the Legislative Department.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2023-24 based on the March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes two set-asides for legislation outside of the package: (1) \$30.0 million General Fund for bills that create ongoing obligations; and (2) \$469.0 million for bills that create one-time obligations for FY 2023-24 (see table below).

General Fund Appropriation Placeholders for Other 2023 Legislation	
Description	FY 2023-24
Legislation with Ongoing Fiscal Impacts	\$30,000,000
Legislation with One-time Fiscal Impacts	
Workforce-related legislation, including free credentials, math scholarships, adult education, and concurrent enrollment	103,000,000
Housing-related legislation, including property tax relief, land use, and public-private partnerships	221,000,000
Legislation related to topics other than workforce and housing, including rural opportunity, line of duty loss, and Proposition 122 implementation	145,000,000
Subtotal	\$469,000,000
TOTAL Placeholders for Other 2023 Legislation	\$499,000,000

The budget package accounts for the 15.0 percent reserve associated with the above placeholders (a total of \$74.9 million).

This bill creates a one-time obligation and requires a General Fund transfer of \$1.5 million for FY 2023-24, reducing the \$469.0 million set aside by that amount.

This bill creates an ongoing obligation and requires a General Fund appropriation of \$1,654 for FY 2023-24, reducing the \$30.0 million set aside by the same amount.

Legislative Appropriation Authority

Continuous spending authority, also known as **continuous appropriation**, allows state agencies to spend money for statutorily specified purposes up to the total amount available in a specified fund source without seeking further legislative approval through the budget process.

The term *appropriation* is broadly understood as expressing or conveying legal spending authority. However, the term *appropriation* also inherently expresses fundamental legislative fiscal authority by communicating a *limit* on or maximum amount of spending from a specified fund source for a defined period such as a fiscal year. While continuous spending authority also expresses or conveys legal spending authority it does so by eliminating legislative fiscal authority and oversight.

An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority. This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process.

Is it necessary for the Department of Agriculture to **not** seek annual authority from the General Assembly to spend money from the Wild Horse Project Fund?