

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING A PILOT GRANT PROGRAM TO AWARD GRANTS TO LOCAL GOVERNMENTS IN RURAL AREAS TO HELP PAY COSTS ASSOCIATED WITH THE ABATEMENT OF DANGEROUS MATERIALS IN CERTAIN STRUCTURES.

Prime Sponsors: Reps. Brown and Winter T.
Sens. Liston and Marchman

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Appropriation Items of Note

Appropriation Not Required, Amendment in Packet

New Cash Fund

Significant Cost Increase in Second 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 04/17/24.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	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

The Fiscal Note is based in part on information that asbestos fines received by the state are approximately \$1.0 million per fiscal year. Subsequent information received by Legislative Council Staff has indicated that asbestos fines are approximately \$100,000 annually. Legislative Council Staff and JBC Staff agree that the lower fine revenue total will decrease the fiscal impact of the bill for FY 2025-26 and FY 2026-27.

The Energy and Environment Committee Report (04/18/24) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
L.003	Bill Sponsor amendment - changes fiscal impact

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2024-25.

Description of Amendments in This Packet

L.003 Bill sponsor amendment **L.003** (attached) sets the limit on fine revenue diverted from the General Fund to the newly created Rural Housing and Development Asbestos and Lead Paint Abatement Fund at \$200,000. Furthermore, the amendment removes the three percent cap on expenditures for administrative costs.

Points to Consider

Future Fiscal Impact

This bill will reduce General Fund revenues by up to \$200,000 in FY 2025-26 and FY 2026-27 (if **L.003** is adopted), reducing the amount of General Fund available for other purposes.