

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE SALES AND USE TAX SIMPLIFICATION TASK FORCE, AND, IN CONNECTION THEREWITH, EXTENDING THE TASK FORCE, MODIFYING THE TASK FORCE'S DUTIES, REMOVING THE REQUIREMENT THAT THE TASK FORCE UNDERGO AN EVALUATION BY THE DEPARTMENT OF REGULATORY AGENCIES PRIOR TO THE TASK FORCE'S REPEAL, AND MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Kraft-Tharp and Van Winkle  
Sens. Williams A. and Tate

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Date Prepared: May 27, 2020

**Appropriation Items of Note**

**Appropriation Already Added to Bill, Sponsor Amendment in Packet**

**General Fund/TABOR 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 02/18/20.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<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

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

<b>Amendment</b>	<b>Description</b>
L.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

**Current Appropriations Clause in Bill**

The bill includes an appropriation clause that appropriates a total of \$34,836 General Fund to the Legislative Department. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.5 FTE.

**Description of Amendments in This Packet**

**L.002** Bill Sponsor amendment **L.002** (attached) eliminates activity of the Task Force during the 2020 interim and strikes the appropriations clause. This amendment eliminates the fiscal

impact in FY 2020-21.

The Committee may adopt amendment **L.002**.

### **Points to Consider**

#### *General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2020-21 based on the following:

- the May 12, 2020, Office of State Planning and Budgeting revenue forecast;
- a school finance bill placeholder for a reduction of \$723.8 million General Fund;
- a placeholder for the reduction of \$202.0 million General Fund through one or more non-JBC package bills; and
- an adjusted statutory General Fund reserve percentage of 3.84 percent equal to \$402.0 million.

This bill requires a General Fund appropriation of \$34,836 for FY 2020-21, thereby decreasing the proposed fiscal year-end General Fund reserve or increasing the proposed placeholder reductions by the same amount.

Amendment **L.002** eliminates the General Fund impact in FY 2020-21.

#### *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. 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. Amendment **L.002** would not require a General Fund appropriation for FY 2020-21. However, it is projected to require General Fund appropriations of \$45,612 in FY 2021-22 and each year through FY 2024-25, 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.