

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE REGULATION OF STRUCTURES THAT ARE MANUFACTURED AT A LOCATION THAT IS NOT AT THE SITE WHERE THE STRUCTURE IS OCCUPIED.

Prime Sponsors: Reps. Kipp and Exum
Sens. Ginal and Hisey

JBC Analyst: Andrea Uhl
Phone: 303-866-4956
Date Prepared: April 21, 2022

Appropriation Items of Note

Appropriation Required, 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 03/23/22.

	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 Legislative Council Staff Revised Fiscal Note identifies a required appropriation of \$5,673 reappropriated funds from the Department of Local Affairs and \$22,691 reappropriated funds from the Department of Regulatory Agencies to the Department of Personnel for fleet vehicle services. These amounts include the cost of vehicle lease payments and vehicle operating expenses. Standard JBC practice is to reappropriate only the vehicle lease payments to the Department of Personnel. Therefore, the reappropriated amounts should be \$2,379 from the Department of Local Affairs and \$9,517 from the Department of Regulatory Agencies. LCS Staff agrees with this update.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$227,612 General Fund to the Department of Local Affairs for FY 2022-23. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.4 FTE. Of this amount, \$51,256 and a related 0.3 FTE is reappropriated to the Department of Law, \$2,379 is reappropriated to the Department of Personnel, and \$46,906 is reappropriated to the Office of Information Technology in the Office of the Governor for FY 2022-23.

Additionally, **J.001** appropriates a total of \$86,946 cash funds from the Division of Professions and Occupations Cash Fund to the Department of Regulatory Agencies for FY 2022-23, and states that the appropriation is based on the assumption that the Department will require an additional 0.9 FTE. Of this amount, \$9,517 is reappropriated to the Department of Personnel for FY 2022-23.

Points to Consider*General Fund Impact*

The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

- \$40.0 million General Fund for bills that create ongoing obligations; and
- \$900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The \$40.0 million *appropriations* set-aside includes an additional \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The \$900.0 million *obligations* set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore *appropriations* from the \$900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates a one-time obligation and requires a General Fund appropriation of \$227,612 for FY 2022-23, reducing the \$900.0 million set aside by \$261,754 in order to maintain a 15.0 percent statutory General Fund reserve.

TABOR/ Excess State Revenues Impact

The March 2022 Legislative Council Staff (LCS) revenue forecast projects a TABOR surplus liability of \$1.6 billion for FY 2022-23 and \$622.6 million for FY 2023-24 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund. The budget package includes a set aside of \$46.0 million General Fund for ongoing appropriations, (\$40.0 million plus \$6.0 million for a 15.0 percent General Fund reserve) and \$900.0 million General Fund for bills that create one-time

HB22-1242**JBC Staff Analysis**

obligations in FY 2022-23.

This bill is estimated to increase cash fund revenues by \$924,464 in FY 2023-24 and ongoing, which will reduce the available General Fund in each fiscal year by an equal amount.