

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING A TEMPORARY REDUCTION IN THE TOTAL AMOUNT OF ROAD USER CHARGES TO BE IMPOSED DURING STATE FISCAL YEARS 2022-23 AND 2023-24, AND, IN CONNECTION THEREWITH, TEMPORARILY REDUCING GAS PRICES.

Prime Sponsors: Reps. Roberts and McLachlan
Senator Pettersen

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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 04/21/22.

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 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 \$5,850 General Fund to the Department of Revenue 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 includes a General Fund transfer of \$78.5 million for FY 2022-23, reducing the \$900.0 million set aside by the same amount. This bill also requires a one-time General Fund appropriation of \$5,850 for FY 2022-23, reducing the \$900.0 million set aside by \$6,728 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 \$40.0 million General Fund for FY 2022-23, plus \$6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations.

This bill is estimated to decrease cash fund revenues by \$61.5 million in FY 2022-23 and by \$17.0 million in FY 2023-24, which will increase the available General Fund by an equal amount. This bill reduces the TABOR refund made out of the General Fund by \$61.5 million for FY 2022-23, increasing the \$900.0 million General Fund one-time set aside by the same amount.