

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING AN ADDITIONAL MECHANISM TO REFUND EXCESS STATE REVENUES FOR STATE FISCAL YEAR 2021-22 ONLY THAT PROVIDES A REFUND IN AN IDENTICAL AMOUNT TO EACH QUALIFIED RESIDENT INDIVIDUAL, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Hinrichsen and Rodriguez  
Reps. Exum and Daugherty

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Date Prepared: May 5, 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 05/04/22.

<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>
J.002	Staff-prepared appropriation amendment

**Current Appropriations Clause in Bill**

The bill includes an appropriation clause that provides a total of \$2,504,276 General Fund to the Department of Revenue for FY 2022-23, which is based on an assumption that the department will require an additional 3.5 FTE. Of this amount, \$2,111,100 is reappropriated to the Department of Personnel and Administration.

**Description of Amendments in This Packet**

**J.002** Staff has prepared amendment **J.002** (attached) to change the existing clause to align with

the Legislative Council Staff Revised Fiscal Note. The new appropriation would provide \$2,578,995 General Fund to the Department of Revenue for FY 2022-23, which is based on an assumption that the department will require an additional 11.5 FTE. Of this amount, \$1,715,635 is reappropriated to the Department of Personnel and Administration.

### **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 \$2,578,995 for FY 2022-23, reducing the \$900.0 million set aside by \$2,965,844 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. This amount must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$30 - \$40 million in FY 2022-23, which will result in a decrease in the TABOR surplus liability of an equal amount.