

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING REAUTHORIZATION OF THE RURAL JUMP-START ZONE PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Lukens and Taggart
Sens. Roberts and Simpson

JBC Analyst: Scott Thompson
Phone: 303-866-4957
Date Prepared: May 3, 2024

Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

General Fund/TABOR Impact

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 01/31/24.

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

The reengrossed bill includes amendments to the bill adopted by the House on second reading (04/26/24), 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
None.	

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$873,304 cash funds to the Office of the Governor for FY 2024-25 from the Rural Jump-Start Zone Grant Fund Account. This provision also states that the appropriation is based on the assumption that the Office will require an additional 1.5

FTE.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes \$63.1 million in set-asides for legislation outside of the package (see table below). The budget package accounts for the 15.0 percent reserve associated with the placeholders (a total of \$9.5 million).

General Fund Appropriation Placeholders for Other 2024 Legislation	
Description	FY 2024-25
General Legislative Priorities	\$21,739,130
Legislation for Shared Housing Priorities	12,043,478
Legislation for Shared Workforce and Education Priorities	16,152,110
Legislation for Other Shared Priorities	10,519,130
Legislation for Distributions to Rural Hospitals	2,608,689
TOTAL Placeholders for Other 2024 Legislation	\$63,062,537

This bill eliminates a transfer of cash funds to the General Fund totaling \$873,304 for FY 2023-24, reducing the \$63.1 million set aside by the same amount.

TABOR/ Excess State Revenues Impact

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$1.3 billion for FY 2024-25 and \$1.8 billion for FY 2025-26 to be refunded to taxpayers out of the General Fund. These sums must be refunded to taxpayers out of the General Fund. This bill is estimated to decrease General Fund revenues by \$0.5 million in FY 2024-25, by \$1.1 million in FY 2025-26, and by \$1.2 million in FY 2026-27, which will result in a decrease in the TABOR surplus liability of equal amounts.