

# MEMORANDUM



## JOINT BUDGET COMMITTEE

TO Joint Budget Committee/Conference Committee on H.B. 22-1329 (Long Bill)  
FROM Amanda Bickel, JBC Staff (303-866-4960)  
DATE April 7, 2022  
SUBJECT Proposed Amendment for Conference Committee on H.B. 22-1329 (Long Bill):  
Cumbres & Toltec Railroad Footnote

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Before closing the Long Bill, the JBC added \$1,125,000 General Fund to the line item for the Cumbres and Toltec Railroad Commission for FY 2022-23.

Based on the Committee's action and further discussion with Cumbres and Toltec Railroad representatives, staff recommends adding a Long Bill footnote similar to one provided in prior years to delineate that these additional funds are intended for capital-type expenses. This proposed footnote includes the following provisions:

- Clarifies what share of the funding is ongoing operating money (\$240,000 General Fund) versus intended for capital expenses (\$1,125,000 General Fund);
- Provides roll-forward authority for the capital-related funds for three years, like other capital appropriations;
- Indicates that the capital funds may be treated as an ongoing (base budget) expense for three years, at which point funding will be annualized (removed) and will only continue based on a new request/JBC action.

The proposed language is shown below. The Railroad and OSPB have confirmed that this reflects their expectations. Committee action on the draft footnote will clarify whether this also reflects the Committee's expectation.

42a Department of Higher Education, History Colorado, Cumbres and Toltec Railroad Commission --The amount in this line item is calculated based on the following assumptions: (1) This line item includes \$240,000 General Fund for annual Commission operating expenses and other routine ongoing costs including controlled maintenance; (2) the balance of the General Fund appropriation, totaling \$1,125,000, is for capital projects including locomotive boiler repair, passenger car upgrades, and track, bridge, and tunnel upgrades; and (3) the General Fund amount above the \$240,000 ongoing operating support is based on an analysis of the Railroad's capital outlay needs over a three year period and is not assumed to continue after FY 2024-25. The amount in this line item for capital projects remains available for expenditure until the close of the 2024-25 state fiscal year.