

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
 FROM Emily Hansen, JBC Staff (303-866-4061)
 DATE April 7, 2022
 SUBJECT Highway Users Tax Fund Appropriation Cap

The Highway Users Tax Fund (HUTF) consists of revenues from gasoline and special-fuel taxes, fines, license plate fees, driver's license fees, motor vehicle title and registration fees, and passenger-mile taxes. HUTF "off-the-top" refers to appropriations from the General Assembly to the State Patrol that are distributed before HUTF revenue is allocated to the State Highway Fund and local governments. Section 43-4-201 (3)(a)(I)(C), C.R.S., limits the annual growth of HUTF off-the-top appropriations to the State Patrol to no more than 6.0 percent of the total appropriations from the previous fiscal year.

House Bill 22-1338 is a Long Bill Package bill that refinances certain appropriations for the Division of Motor Vehicles in the Department of Revenue from Marijuana Tax Cash Fund to HUTF off-the-top. The bill includes an appropriation of \$1,261,000 HUTF and amends statute to include the Department of Revenue in the 6.0 percent annual appropriation growth cap.

A Long Bill amendment passed by both the House and Senate increases the HUTF appropriation to the State Patrol by \$2,390,556 to implement an additional 3.0 percent salary increase for State Patrol Troopers. The total amount for the amendment increased by \$391,070 between chambers after staff received input from the Department of Public Safety. The final version of the amendment increased the HUTF appropriation to the Department to a total of \$186,556,548, compared to \$182,799,121 in the introduced bill. **Together, the Long Bill amendment and HB 22-1338 appropriate \$135,878 over the 6.0 percent growth cap.**

The General Assembly has also introduced HB 22-1217 (Catalytic Converter Grant), which currently includes an appropriation of \$105,871 HUTF for OIT expenses to the Department of Public Safety. The bill has passed the first chamber but has not yet been heard in Senate Appropriations. Staff is not aware of any additional bills that include HUTF appropriations at this time.

FY 2022-23 HUTF OFF-THE-TOP APPROPRIATIONS		
	APPROPRIATIONS COMPARISON	PERCENT CHANGE
FY 2021-22 HUTF Off the Top Appropriations Base	\$175,768,679	
6.0 Percent Allowable Growth	10,546,121	
FY 2022-23 HUTF Off the Top Appropriations Limit	\$186,314,799	6.00%
<i>HB 22-1329 (Long Bill) as introduced</i>	<i>\$182,799,121</i>	
HB 22-1329 (Long Bill) Rerevised	\$185,189,677	
HB 22-1338 (DMV Refinance MTCF with HUTF)	1,261,000	
HB 22-1217 (Catalytic Converter Grant)	105,871	
FY 22-23 Appropriations Total	\$186,556,548	6.14%
Over the Off-the-Top Appropriations Limit	\$241,749	