

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE IMPLEMENTATION OF THE COLORADO SECURE SAVINGS PROGRAM TO INCREASE THE AMOUNT OF RETIREMENT SAVINGS BY COLORADO'S PRIVATE SECTOR WORKERS.

Prime Sponsors: Sens. Donovan and Pettersen
Reps. Kraft-Tharp and Becker

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Date Prepared: June 3, 2020

Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

New Cash Fund (with Continuous Appropriation)

Significant Cost Increase in Second (or Third) 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 05/26/20.

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
L.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

SB20-200

JBC Staff Analysis

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$331,081 General Fund to the Department of the Treasury and reappropriates \$42,640 to the Department of Law for FY 2020-21. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.8 FTE and the Department of Law will require an additional 0.2 FTE.

L.002 Bill Sponsor amendment **L.002** (attached) adds a provision that requires all costs of the bill to be paid solely through gifts, grants, or donations. This amendment eliminates the General Fund impact as outlined in the LCS Fiscal Note. The bill creates a continuously appropriated cash fund into which gifts, grants, or donations would be deposited. Therefore, no appropriation is required.

If the Committee adopts amendment **L.002**, amendment **J.001** **should not** be adopted.

Points to Consider

General Fund Impact/Future Fiscal Impact

The Joint Budget Committee has proposed a budget package for FY 2020-21 based on the following:

- the May 12, 2020, Office of State Planning and Budgeting revenue forecast;
- a school finance bill placeholder for a reduction of \$723.8 million General Fund;
- a placeholder for the reduction of \$202.0 million General Fund through one or more non-JBC package bills; and
- an adjusted statutory General Fund reserve percentage of 3.84 percent equal to \$402.0 million.

This bill requires a General Fund appropriation of \$331,081 for FY 2020-21, thereby decreasing the proposed fiscal year-end General Fund reserve or increasing the proposed placeholder reductions by the same amount.

This bill is projected to require General Fund appropriations of \$866,471 in FY 2021-22, further increasing the base General Fund commitment in that fiscal year. This further reduces the amount of General Fund available for appropriations and obligations by the same amount.

Amendment **L.002** eliminates the General Fund impact in FY 2020-21 and FY 2021-22.

Legislative Authority

Is it necessary to "continuously appropriate" money in the Colorado Secure Savings Fund? This method of funding essentially moves related expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process.