



Legislative
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SB 20B-004

**REVISED
FISCAL NOTE**

(replaces fiscal note dated November 30, 2020)

Drafting Number: LLS 20B-0026
Prime Sponsors: Sen. Moreno
Rep. McCluskie

Date: December 1, 2020
Bill Status: House Public Health
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Bill Topic: **TRANSFER TO MAKE MONEY AVAILABLE FOR COVID EMERGENCY**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill transfers \$100 million from the General Fund to the Controlled Maintenance Trust Fund in the current FY 2020-21 and allows the Governor to transfer these funds to the Disaster Emergency Fund, if needed, to respond to the COVID emergency during the current fiscal year.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the reengrossed bill.

**Table 1
State Fiscal Impacts Under SB 20B-004**

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures		-	-
Transfers	General Fund	(\$100.0 million)	-
	Cash Funds	\$100.0 million	-
	Total	\$0	-
TABOR Refund		-	-

Summary of Legislation

This bill transfers \$100 million from the General Fund to the Controlled Maintenance Trust Fund (CMTF) in the current FY 2020-21. In addition, it allows the Governor to transfer some or all of this amount to the Disaster Emergency Fund (DEF) before July 1, 2021, if additional funding is needed to respond to the current COVID emergency. Any funds not transferred for emergency COVID purposes in the current fiscal year are to remain in the CMTF.

The bill requires the State Treasurer to deposit into the CMTF reimbursements that the State receives from the federal government for any expenditures from the Disaster Emergency Fund (DEF), if those federal reimbursements are received after the date of a transfer to the DEF. Such deposits are limited to the amount of the transfer from the CMTF to the DEF.

Background

TABOR requires the state to maintain an emergency reserve, which may include money in specified funds or other state assets such as buildings and property. These reserves must be at least three percent of state fiscal year spending and may be used during a declared disaster emergency. As outlined in the legislative declaration in the bill, the Governor has encumbered approximately \$286 million from the DEF to respond to the COVID-19 pandemic, which included \$73 million previously transferred from the CMTF that was set aside as the part of the state emergency reserve. For additional information, see this [LCS memorandum on the state emergency reserve](#).

State Transfers

The bill makes a one-time transfer of \$100 million from the General Fund to the CMTF in the current FY 2020-21. If needed for COVID-19 emergency purposes, this money may be further transferred to the DEF by the Governor. If not used for COVID-19 emergency purposes, the funds will remain in the Controlled Maintenance Trust Fund for use in FY 2021-22.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Governor
Personnel

Information Technology
Treasury

JBC Staff