



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 21-1041 Date: May 28, 2021
Prime Sponsors: Sen. Fenberg; Holbert Bill Status: Senate Appropriations
Fiscal Analyst: Matt Bishop | 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: ECONOMIC RECOVERY AND RELIEF CASH FUND

- Summary of Fiscal Impact:
State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill creates the Economic Recovery and Relief Cash Fund to address the state's economic recovery from the COVID-19 pandemic. It transfers money for this purpose and appropriates money for small business assistance. It increases state expenditures from FY 2021-22 through FY 2026-27.

Appropriation Summary: For FY 2021-22, the bill includes appropriations of \$40.0 million to the Office of the Governor and requires an appropriation of \$21,958 to the Legislative Department.

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

Table 1
State Fiscal Impacts Under SB 21-291

Table with 4 columns: Category, Description, Budget Year FY 2021-22, and Out Year FY 2022-23. Rows include Revenue, Expenditures (Colorado Economic Development Fund, Economic Recovery and Relief Cash Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers (American Rescue Plan Act of 2021 Cash Fund, Economic Recovery and Relief Cash Fund, Colorado Economic Development Fund, Net Transfer), and TABOR Refund.

1 Transfers may occur in the current FY 2020-21.

Summary of Legislation

The bill creates the Economic Recovery and Relief Cash Fund to provide assistance to small businesses, industries, unemployed workers, communities disproportionately impacted by the COVID-19 pandemic, or for certain infrastructure projects. Money in the fund may be transferred or appropriated to principal departments or the Judicial Department and used for purposes permitted under the federal “American Rescue Plan Act of 2021” and not for any purposes prohibited by the act. The bill transfers \$848.8 million from the “American Rescue Plan Act of 2021” Cash Fund to the newly created Economic Recovery and Relief Cash Fund. The fund is repealed on July 1, 2027.

The bill transfers \$40.0 million from the fund to the Colorado Economic Development Fund and directs the Office of Economic Development and International Trade to provide grants to small businesses or other economic development activities, with \$10.0 million reserved to incentivize small businesses to locate in rural Colorado.

The Executive Committee of Legislative Council must create, by resolution, a task force to meet during the 2021 interim to issue a report to the General Assembly and the Governor on policies that provide a stimulative effect on the state’s economy. The Joint Budget Committee Staff must review the task force’s recommendations.

State Transfers

Within 3 and 15 days of the bill’s effective date, the bill requires the following transfers, respectively:

- \$848,761,790 to the Economic Recovery and Relief Cash Fund from the “American Rescue Plan Act of 2021” Cash Fund; and
- \$40,000,000 to the Colorado Economic Development Fund from the Economic Recovery and Relief Cash Fund.

State Expenditures

The bill increases state expenditures in FY 2021-22 by \$40.0 million, as shown in Table 2 and described below.

**Table 2
 Expenditures Under SB 21-291**

Cost Components	FY 2021-22	FY 2022-23
Governor’s Office		
Economic Development Grants	\$40,000,000	-
Office Subtotal	\$40,000,000	\$0
Legislative Department		
Personal Services	\$13,488	-
Legislator Reimbursements	\$8,470	-
Centrally Appropriated Costs ¹	\$3,220	-
FTE – Personal Services	0.2 FTE	-
Legislature Subtotal	\$25,178	\$0
Total	\$40,025,178	\$0
Total FTE	0.2 FTE	-

¹ Centrally appropriated costs are not included in the bill’s appropriation.

Economic Development Grants. In FY 2021-22, cash fund expenditures will increase in the Office of Economic Development and International Trade in the Office of the Governor by \$40.0 million for the purposes outlined by the bill. The fiscal note assumes that any administrative costs for these activities will be absorbed within the bill’s appropriation.

Task Force Administration. Legislative Council Staff requires 0.2 FTE to staff the task force, perform research, manage remote participation, and write the report. Workload will also increase for the Joint Budget Committee Staff to review the task force’s recommendations; this can be accomplished within existing appropriations.

Task Force Membership. Reimbursement for legislative committee members assumes six meetings with a per diem of \$111.28 and \$124.00 travel for six members, resulting in a total cost of \$8,470.

Centrally Appropriated Costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$3,220 in FY 2021-22.

Effective Date

The bill only takes effect if Senate Bill 21-288 becomes law, and it takes effect upon signature of the Governor or upon becoming law without his signature, or upon the effective date of Senate Bill 21-288, whichever is later. Senate Bill 21-288 creates the “American Rescue Plan Act of 2021” Cash Fund.

State Appropriations

For FY 2021-22, the bill includes an appropriation of \$40.0 million to the Office of the Governor from the Colorado Economic Development Fund.

For FY 2021-22, bill requires an appropriation of \$21,958 to the Legislative Department from the Economic Recovery and Relief Cash Fund.

State and Local Government Contacts

Economic Development
Legislative

Joint Budget Committee Staff
Personnel