CONCERNING A TRANSFER FROM THE GENERAL FUND TO THE DEPARTMENT OF STATE CASH FUND TO ALLOW THE DEPARTMENT OF STATE TO REDUCE BUSINESS-RELATED FEES FOR STATE FISCAL YEAR 2022-23.

Prime Sponsors: Reps. Cutter and Sullivan
Sens. Pettersen and Kolker

JBC Analyst: Abby Magnus
Phone: 303-866-2149
Date Prepared: May 6, 2022

### Appropriation Items of Note

**Appropriation Not Required, No Amendment in Packet**

**General Fund/TABOR Impact**

### Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/04/22.

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<tr>
<th>XXX</th>
<th>No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill</th>
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<tr>
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<td>Update: Fiscal impact has changed due to new information or technical issues</td>
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<td>Update: Fiscal impact has changed due to amendment adopted after LCS Fiscal Note was prepared</td>
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<td>Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill</td>
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The House Business Affairs & Labor Committee Report (02/16/22) and the House Finance Committee Report (03/07/22) include amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

### Amendments in This Packet for Consideration by Appropriations Committee

<table>
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<th>Amendment</th>
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### Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2022-23.
Points to Consider

General Fund Impact
The Joint Budget Committee has proposed a budget package for FY 2022-23 based on the March 2022 Legislative Council Staff revenue forecast. The budget package includes two set-asides:

• $40.0 million General Fund for bills that create ongoing obligations; and
• $900.0 million General Fund for bills that create one-time obligations in FY 2022-23.

The $40.0 million appropriations set-aside includes an additional $6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations. The $900.0 million obligations set-aside does not include an additional amount for a General Fund reserve and, assumes, but does not require, that obligations be addressed through statutory transfers rather than appropriations. Therefore appropriations from the $900.0 million set-aside require an additional 15.0 percent to maintain the statutory General Fund reserve.

This bill creates a one-time obligation and includes a General Fund transfer of $16,710,000 for FY 2022-23, reducing the $900.0 million set aside by the same amount.

TABOR/Excess State Revenues Impact
The March 2022 Legislative Council Staff (LCS) revenue forecast projects a TABOR surplus liability of $1.6 billion for FY 2022-23 and $622.6 million for FY 2023-24 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund. The budget package includes a set aside of $40.0 million General Fund for FY 2022-23, plus $6.0 million General Fund to provide a 15.0 percent General Fund reserve for those appropriations.

This bill is estimated to decrease cash fund revenues by $16,710,000 in FY 2022-23, which will increase the available General Fund in each fiscal year by an equal amount. This bill reduces the TABOR refund made out of the General Fund by $16,710,000 for FY 2022-23, increasing the $900.0 million General Fund set aside for FY 2022-23 by the same amount.