

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF AN EPILEPSY AWARENESS SPECIAL LICENSE PLATE, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Representative Jodeh
Senator Pettersen

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Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

General Fund/TABOR Impact

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 01/19/22.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	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

The fiscal note identifies the fiscal impact of the bill as \$23,940 General Fund and \$5,731 cash funds, however it does not include a \$3,168 reappropriated funds appropriation to the Governor's Office of Information Technology. Legislative Council Staff and JBC Staff agree that the bill also requires an appropriation of \$3,168 reappropriated funds. The House Appropriations Committee Report (04/05/22) includes 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

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates a total of \$29,671 to the Department of Revenue for FY 2022-23, including \$23,940 General Fund and \$5,731 cash funds from the License Plate Cash Fund. Of this amount, \$3,168 is reappropriated to the Governor's Office of Information

Technology.

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 an ongoing obligation and requires a General Fund appropriation of \$23,940 for FY 2022-23, reducing the \$40.0 million set aside by the same amount.

TABOR/ Excess State Revenues Impact

The December 2021 Legislative Council Staff (LCS) revenue forecast projects a TABOR surplus liability of \$1.8 billion for FY 2022-23 and \$1.9 billion for FY 2023-24. These sums must be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) to the State will further increase the TABOR refund made out of the General Fund. This will reduce the amount of General Fund available for programs.

The Joint Budget Committee (JBC) is developing a budget package for FY 2022-23. This bill is estimated to increase cash fund revenues by \$41,281 in FY 2022-23 and by \$10,335 in FY 2023-24, which will reduce the available General Fund in each fiscal year by an equal amount.