CONCERNING A TEMPORARY REDUCTION IN THE TOTAL AMOUNT OF ROAD USER CHARGES TO BE IMPOSED DURING STATE FISCAL YEARS 2022-23 AND 2023-24, AND, IN CONNECTION THEREWITH, TEMPORARILY REDUCING GAS PRICES AND MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Roberts and McLachlan
Senator Pettersen

JBC Analyst: Andrea Uhl
Phone: 303-866-4956
Date Prepared: April 28, 2022

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 Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/21/22.

<table>
<thead>
<tr>
<th>XXX</th>
<th>No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill</th>
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<tbody>
<tr>
<td>Update: Fiscal impact has changed due to new information or technical issues</td>
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<tr>
<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 Appropriation Committee Report (04/22/22), adopted in the House on second reading (04/22/22), includes an appropriation amendment consistent with fiscal impact identified in the Revised Fiscal Note.

Amendments in This Packet for Consideration by Appropriations Committee

<table>
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<tr>
<th>Amendment</th>
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Current Appropriations Clause in Bill
The bill includes an appropriation clause that appropriates $5,850 General Fund to the Department of Revenue 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 $78.5 million for FY 2022-23, reducing the $900.0 million set aside by the same amount. This bill also requires a one-time General Fund appropriation of $5,850 for FY 2022-23, reducing the $900.0 million set aside by $6,728 in order to maintain a 15.0 percent statutory General Fund reserve.

**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 $61.5 million in FY 2022-23 and by $17.0 million in FY 2023-24, which will increase the available General Fund by an equal amount. This bill reduces the TABOR refund made out of the General Fund by $61.5 million for FY 2022-23, increasing the $900.0 million General Fund one-time set aside by the same amount.