CONCERNING MEASURES TO ENSURE THE STATE'S COMPLIANCE WITH THE REQUIREMENTS RELATED TO THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND CREATED IN THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021".

Prime Sponsors: Reps. McCluskie and Herod
Senator Moreno

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Phone: 303-866-4960
Date Prepared: April 29, 2022

Appropriation Items of Note

Appropriation Already Added to Bill, Amendment in Packet

General Fund 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 04/29/22.

<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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</thead>
<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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<tr>
<td>Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill</td>
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*The bill identifies transfers as occurring for FY 2022-23, but, if the bill takes effect in FY 2021-22, the transfers will occur in FY 2021-22.

Amendments in This Packet for Consideration by Appropriations Committee

<table>
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<tr>
<th>Amendment</th>
<th>Description</th>
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<tbody>
<tr>
<td>L.002</td>
<td>Bill Sponsor amendment - does not change fiscal impact</td>
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Current Appropriations Clause in Bill
The bill includes an appropriation clause that:

- Changes the source of an FY 2021-22 appropriation for the Colorado Startup Loan Program Fund that was included in H.B. 21-1288. Instead of $10,000,000 from money in the Economic Recovery and Relief Cash Fund that originates as federal Coronavirus Fiscal Recovery Funds (ARPA Funds), this provision provides a $10,000,000 appropriation from the General Fund. The Office of the Governor is responsible for the accounting related to this
Changes the source of an FY 2021-22 appropriation to the Department Local Affairs for use by the Division of Housing that was included in H.B. 21-1329. The original appropriation included $98,500,000 from the Affordable Housing and Home Ownership Cash Fund from money that originates as ARPA Funds. The bill retains the $98.5 million from the Affordable Housing an Home Ownership Cash Fund but specifies that it is from money that originates from the General Fund.

Description of Amendments in This Packet
L.002 Bill Sponsor amendment L.002 (attached):
   • Modifies a transfer in the bill. Instead of transferring $10,000,000 from the Workers, Employers, and Workforce Centers Cash Fund to the Revenue Loss Restoration Cash Fund, transfers $10,000,000 from the Economic Recovery and Relief Fund, of money originating as ARPA funds, to the Revenue Loss Restoration Cash Fund.
   • Replaces the petition clause in the bill with a safety clause.
   • Makes other minor technical changes.

These adjustments do not change the total fiscal impact of the bill, although they modify transfers between cash funds and allow provisions in the bill to take effect upon enactment.

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 requires a General Fund appropriation of $10.0 million for FY 2021-22, reducing the $900.0 million set aside by $10.2 million in order to maintain a 15.0 percent statutory General Fund reserve.

This bill creates one-time obligations and includes net General Fund transfers of $64.5 million for FY 2021-22, reducing the $900.0 million set aside by the same amount.