

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO IMPROVE AIR QUALITY IN THE STATE, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Sens. Fenberg and Gonzales  
Representative Valdez A.

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**Appropriation Items of Note**

**Appropriation Required, Amendment in Packet**

**General Fund Impact**

**New Cash Fund (with Continuous Appropriation)**

**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 04/04/2022.

	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
<b>XXX</b>	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Senate Transportation and Energy Committee Report (04/05/22) amended the bill to provide continuous spending authority to the Community Access to Electric Bicycles Cash Fund, created in the bill. Appropriations from this fund to the Colorado Energy Office in the current Fiscal Note are no longer necessary. LCS Staff and JBC Staff agree on this change to the fiscal impact.

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

<b>Amendment</b>	<b>Description</b>
J.001	Staff-prepared appropriation amendment

**Current Appropriations Clause in Bill**

The bill includes an appropriation clause that appropriates dollars to the Colorado Energy Office from cash funds that are continuously appropriated.

**Description of Amendments in This Packet**

**J.001** Staff has prepared amendment **J.001** (attached) to remove the current appropriations clause and add a provision appropriating a total of \$87.0 million total funds to the Department of Public Health and Environment for FY 2022-23, including \$7,000,000 General Fund, \$65 million cash funds from the Electrifying School Buses Grant Program Cash Fund, and \$15 million cash funds from Diesel Truck Emissions Reduction Grant Program Cash Fund. This provision also states that the appropriation is based on the assumption that the Department will require an additional 11.5 FTE. The provision also appropriates a total of \$750,000 General Fund to the Department of Personnel and reappropriates \$90,725 to the Governors 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 a one-time obligation and requires a General Fund appropriation of \$7,750,000 million for FY 2022-23, reducing the \$900.0 million set aside by \$8,912,500 in order to maintain a 15.0 percent statutory General Fund reserve.

This bill also creates a one-time obligation and includes a General Fund transfer of \$117.0 million for FY 2021-22, reducing the \$900.0 million set aside by the same amount.

*Legislative Appropriation Authority*

Continuous spending authority, also known as **continuous appropriations**, allows departments to spend money for statutorily specified purposes up to the amount of money in the fund without seeking annual legislative approval. An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority.

## **SB22-193**

## **JBC Staff Analysis**

This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process. Is it necessary for the Colorado Energy Office to **not** seek annual authority from the General Assembly to spend money from the Manufacturing Operations Clean Air Grant Program Cash Fund or the Community Access to Electric Bicycles Cash Fund?