

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING CERTAIN LOW-INCOME HOUSING PROPERTY THAT IS DEEMED TO BE USED FOR A STRICTLY CHARITABLE PURPOSE, AND, IN CONNECTION THEREWITH, CLARIFYING AND EXPANDING THE PROPERTY TAX EXEMPTION FOR PROPERTY ACQUIRED BY NONPROFIT HOUSING PROVIDERS FOR A STRICTLY CHARITABLE LOW-INCOME HOUSING PURPOSE AND CREATING A PROPERTY TAX EXEMPTION FOR PROPERTY HELD BY COMMUNITY LAND TRUSTS OR NONPROFIT AFFORDABLE HOMEOWNERSHIP DEVELOPERS AND USED FOR A STRICTLY CHARITABLE PURPOSE.

Prime Sponsors: Reps. Lindstedt and Frizell
 Senator Roberts

JBC Analyst: Andrea Uhl
 Phone: 303-866-4956
 Date Prepared: March 27, 2023

Appropriation Items of Note

Appropriation Not Required, No Amendment in Packet

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 03/24/23.

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

Amendments in This Packet for Consideration by Appropriations Committee

| Amendment | Description |
|------------------|--------------------|
| None. | |

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2023-24.

Points to Consider

HB23-1184

JBC Staff Analysis

TABOR/ Excess State Revenues Impact

The March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$720.9 million for FY 2023-24 and \$1.2 billion for FY 2024-25 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 \$30.0 million General Fund for ongoing appropriations and \$469.0 million General Fund for bills that create one-time obligations in FY 2023-24.

This bill is estimated to increase cash fund revenues by \$52,500 in FY 2023-24 and by \$40,225 in FY 2024-25, which will reduce the available General Fund in each fiscal year by equal amounts. This bill increases the TABOR refund made out of the General Fund by \$52,500 for FY 2023-24, reducing the \$30.0 million General Fund set aside for FY 2023-24 by the same amount.

Future Fiscal Impact

Although this bill would not require an appropriation of state funds for FY 2023-24, it is projected to require annual appropriations of between \$82,000 and \$160,000 (from the General Fund, the State Education Fund, or the State Public School Fund) beginning in FY 2024-25 to offset impacts on local school finance revenues.