

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING A STUDY REGARDING THE ECONOMIC IMPACT OF THE ELIMINATION OF LARGE-CAPACITY GROUNDWATER WITHDRAWAL WITHIN THE REPUBLICAN RIVER BASIN, AND, IN CONNECTION THEREWITH, REQUIRING THE COLORADO WATER CENTER TO CONDUCT THE STUDY AND REPORT ITS FINDINGS AND CONCLUSIONS TO CERTAIN LEGISLATIVE COMMITTEES.

Prime Sponsors: Reps. Holtorf and McCormick

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Date Prepared: April 18, 2023

Appropriation Items of Note

Appropriation Required, 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 03/15/23.

	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

Section 23-3.3-103 (1), C.R.S., requires that "student financial assistance under [Article 3.3 of Title 23] increase by at least the same percentage as the aggregate percentage increase of all general fund appropriations to institutions of higher education." This bill requires an appropriation to the Department of Higher Education for the Board of Governors of the Colorado State University System (an institution of higher education). The additional cost of providing aligned financial aid under Article 3.3 of Title 23, consistent with the provisions of Section 23-3.3-103 (1), C.R.S., is \$33,959 General Fund. Legislative Council Staff concurs with this analysis.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

L.001/J.002	Bill Sponsor amendment - changes fiscal impact <i>and</i> appropriation
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Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$180,245 General Fund to the Department of Higher Education for FY 2023-24, including \$146,286 for the Colorado State University System and \$33,959 for Need Based Grants.

L.001 and J.002

Bill Sponsor amendment **L.001** (attached) specifies that the program created in this bill is not subject to Section 23-3.3-103(1), C.R.S. Sponsor amendment **J.002** (attached) provides an appropriation of \$146,286 General Fund to the Department of Higher Education for FY 2023-24 (excludes financial aid), which would align the appropriation with the requirements in L.001.

The Committee may adopt J.001 OR the combination of L.001 and J.002. It should not adopt both J.001 and J.002.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2023-24 based on the March 2023 Office of State Planning and Budgeting (OSPB) revenue forecast. The budget package includes two set-asides for legislation outside of the package: (1) \$30.0 million General Fund for bills that create ongoing obligations; and (2) \$469.0 million for bills that create one-time obligations for FY 2023-24 (see table below).

General Fund Appropriation Placeholders for Other 2023 Legislation	
Description	FY 2023-24
Legislation with Ongoing Fiscal Impacts	\$30,000,000
Legislation with One-time Fiscal Impacts	
Workforce-related legislation, including free credentials, math scholarships, adult education, and concurrent enrollment	103,000,000
Housing-related legislation, including property tax relief, land use, and public-private partnerships	221,000,000
Legislation related to topics other than workforce and housing, including rural opportunity, line of duty loss, and Proposition 122 implementation	145,000,000
Subtotal	\$469,000,000

HB23-1220

JBC Staff Analysis

General Fund Appropriation Placeholders for Other 2023 Legislation	
TOTAL Placeholders for Other 2023 Legislation	\$499,000,000

The budget package accounts for the 15.0 percent reserve associated with the above placeholders (a total of \$74.9 million).

This bill creates a one-time obligation and requires General Fund appropriations if L.001 and J.002 are adopted of \$146,238 for FY 2023-24, \$138,014 for FY 2024-25, and \$66,983 for FY 2025-26, reducing the \$469.0 million set aside by a total of \$351,325 (the sum of the three years). If J.001 is adopted, the cost will be \$453,202, reflecting an assumption that the \$33,959 increase for financial aid will be continued for all three years.