

**JBC STAFF FISCAL ANALYSIS  
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO PROTECT COMMUNITIES FROM POLLUTION.

Prime Sponsors: Reps. Bacon and Willford  
Sens. Winter F. and Gonzales

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**Appropriation Items of Note**

**Appropriation Required, Amendments in Packet**

**General Fund 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 04/25/23.

XXX	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<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

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

Amendment	Description
J.002	Staff-prepared appropriation amendment
L.048, L.050, L.052, L.053, L.054, L.055/ J.003	Bill Sponsor amendments - change fiscal impact <i>and</i> appropriation

**Current Appropriations Clause in Bill**

The bill requires but does not contain an appropriation clause.

**Description of Amendments in This Packet**

**J.002** Staff has prepared amendment **J.002** (attached) to add a provision appropriating \$7,234,164 total funds and 45.0 FTE to multiple state agencies for FY 2023-24. The provision includes \$2,924,361 General Fund and \$2,000,000 cash funds from the Stationary Sources Control

## HB23-1294

## JBC Staff Analysis

Cash Fund for the Department of Public Health and Environment, of which \$1,332,324 is reappropriated to the Department of Law for the purchase of legal services. This provision also states that the appropriations are based on an assumption that the Department of Public Health and Environment will require an additional 31.0 FTE and the Department of Law will require an additional 7.0 FTE.

The provision also includes \$820,697 cash funds from the Oil and Gas Conservation and Environmental Response Fund to the Department of Natural Resources for FY 2023-24, of which \$95,166 is reappropriated to the Department of Law. The provision states that these appropriations are based on the assumption that the Department of Natural Resources will require an additional 6.0 FTE and the Department of Law will require an additional 0.5 FTE.

The provision also includes \$61,616 General Fund for the Legislative Department for FY 2023-24. The provision states that these appropriations are based on the assumption that the Legislative Department will require an additional 0.5 FTE.

### **L.048, L.050, L.052, L.053, L.054, L.055 and J.003**

Bill Sponsor amendments **L.048, L.050, L.052, L.053, L.054, L.055** (attached) collectively reduce the fiscal impact of the bill, as amended by the House Energy and Environment Committee, on the Department of Public Health and Environment. They do this by, among other things: (a) removing Sections 4, 5, and 6 from the House Energy and Environment Committee Report, which pertain to permit program definitions, permit applications, and application reviews (**L.050**), and (b) clarifying procedures related to complaints in Section 7 of the Committee Report (**L.055**). LCS and JBC staff agree that these amendments collectively reduce the required appropriation to the Department of Public Health and Environment by \$4,844,868 (from \$4,924,361 total funds to \$79,493) and the required FTE by 30.1.

Amendment **J.003** (attached) is similar to **J.002** in all respects other than the appropriation to the Department of Public Health and Environment (CDPHE). In alignment with the set of sponsor amendments discussed above, amendment **J.003** provides a total of \$79,493 General Fund and no cash funds to CDPHE for FY 2023-24 and states that the appropriation is based on an assumption that the Department will only require 0.9 FTE. None of the appropriation to CDPHE is reappropriated to the Department of Law for legal services.

The appropriations to the Department of Natural Resources and the Legislative Department in amendment J.003 are identical to those in J.002. The amendment also includes the corresponding appropriation to the Department of Law for legal services provided to the Department of Natural Resources.

**If the Committee adopts L.048, L.050, L.052, L.053, L.054, and L.055, it should also adopt J.003.**

**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
<b>TOTAL Placeholders for Other 2023 Legislation</b>	<b>\$499,000,000</b>

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 General Fund obligation and requires a General Fund appropriation of \$2,985,977 for FY 2023-24, reducing the \$469.0 million set aside by the same amount. The Revised Fiscal Note assumes that in the second and future years, the Stationary Sources Control Cash Fund will be the sole source of funding.

If sponsor amendments **L.048, L.050, L.052, L.053, L.054, L.055** are adopted, the bill creates an on-going obligation and requires a General Fund appropriation of \$141,109 for FY 2023-24, reducing the \$30.0 million set aside by the same amount. A General Fund appropriation of \$79,320 is expected for FY 2024-25.