

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING RAILROAD SAFETY, AND, IN CONNECTION THEREWITH, LIMITING THE MAXIMUM LENGTH OF A TRAIN OPERATING IN THE STATE, REQUIRING CERTAIN RAILROADS TO USE WAYSIDE DETECTOR SYSTEMS, LIMITING THE AMOUNT OF TIME A TRAIN MAY OBSTRUCT PUBLIC TRAVEL AT CERTAIN CROSSINGS, AUTHORIZING A CREW MEMBER'S DESIGNATED UNION REPRESENTATIVE TO INVESTIGATE CERTAIN REPORTED INCIDENTS, AUTHORIZING THE PUBLIC UTILITIES COMMISSION TO IMPOSE FINES FOR CERTAIN VIOLATIONS, REQUIRING FINE REVENUE TO BE PAID TO THE FRONT RANGE PASSENGER RAIL DISTRICT FOR THE PURPOSES OF MAINTAINING AND IMPROVING THE SAFETY OF A FRONT RANGE PASSENGER RAIL SYSTEM, AND REQUIRING CERTAIN RAILROADS TO CARRY INSURANCE COVERAGE IN MINIMUM AMOUNTS.

Prime Sponsors: Representative Mabrey
Sens. Cutter and Exum

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Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund Impact

New Cash Fund with Continuous Appropriation

Significant Cost Increase in Second and Third Year

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 03/06/24.

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
J.001	Staff-prepared appropriation amendment

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 \$11,651 General Fund to the Department of Regulatory Agencies for FY 2024-25. This provision also states that the appropriation is based on the assumption that the Department will require an additional 0.1 FTE.

Points to Consider*General Fund and Future Fiscal Impact*

The Joint Budget Committee (JBC) is developing a budget package for FY 2024-25. This bill requires a General Fund appropriation of \$11,651 for FY 2024-25, reducing the General Fund available for other FY 2024-25 appropriations by this amount. The bill's required appropriation would increase to \$41,643 General Fund in FY 2025-26 and \$76,075 General Fund in FY 2026-27.

Related Budget Information

The bill creates the Front Range Passenger Rail District Maintenance and Safety Fund, which receives revenue from fines imposed by the Public Utilities Commission for violations of the bill's safety requirements. The amount of fine revenue generated depends on future enforcement actions and cannot be estimated. However, this revenue is subject to TABOR and will reduce future General Fund revenue by an equal amount.

Legislative Appropriation Authority

Continuous spending authority, also known as continuous appropriation, allows state agencies to spend money for statutorily specified purposes up to the total amount available in a specified fund source without seeking further legislative approval through the budget process.

The term appropriation is broadly understood as expressing or conveying legal spending authority. However, the term appropriation also inherently expresses fundamental legislative fiscal authority by communicating a limit on or maximum amount of spending from a specified fund source for a defined period such as a fiscal year. While continuous spending authority also expresses or conveys legal spending authority, it does so by eliminating legislative fiscal authority and oversight.

An annual appropriation provides a limit on spending authority, while a continuous appropriation provides unlimited spending authority. This method of funding moves these expenditures off-budget, and thus expenditures are not reported or accounted for through the budget process.

Is it not necessary for the Department of Regulatory Agencies to seek annual authority from the General Assembly to spend money from the Front Range Passenger Rail District Maintenance and Safety Fund?