



Legislative Council Staff
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Final Fiscal Note

Drafting Number: LLS 24-1113 Date: June 10, 2024
Prime Sponsors: Rep. Bird; Taggart Bill Status: Signed into Law
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Bill Topic: SEVERANCE TAX TRANSFERS

Summary of Fiscal Impact:
State Revenue [ ] State Transfer [x] Local Government [ ]
State Expenditure [x] TABOR Refund [ ] Statutory Public Entity [ ]

Budget package bill. The bill increases the annual amount that can be appropriated from the Severance Tax Operational Fund to the Conservation District Grant Fund and transfers a variety of severance tax revenues to the General Fund. It increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2024-25, the bill includes an appropriation of \$250,000 to the Department of Agriculture.

Fiscal Note Status: The final fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under HB 24-1413

Table with 4 columns: Category, Sub-category, Budget Year FY 2024-25, and Out Year FY 2025-26. Rows include Revenue, Expenditures (Cash Funds, Total Expenditures), Transfers (General Fund, Cash Funds, Net Transfer), and Other Budget Impacts.

## Summary of Legislation

The bill allows an additional \$250,000 to be appropriated from the Severance Tax Operational Fund to the Conservation District Grant Fund beginning FY 2024-25, by changing the allowable amount from \$450,000 to \$700,000 annually. The bill also makes multiple one-time transfers from cash funds to the General Fund in FY 2024-25.

## State Transfers

The bill transfers a total of approximately \$69.3 million to the General Fund in FY 2024-25. These one-time transfers include:

- \$18,259,805 from the Severance Tax Operational on June 30, 2025;
- \$26,086,559 from the Severance Tax Perpetual Base Fund on July 1, 2024; and
- \$25,000,000 from the Local Government Severance Tax Fund on July 1, 2024.

## State Expenditures

The bill increases state expenditures in the Department of Agriculture (CDA) by \$250,000 in FY 2024-25 and up to that amount in future years. These funds are continuously appropriated to the CDA for grants to conservation districts for implementing and maintaining soil and water conservation efforts.

## Effective Date

The bill was signed into law by the Governor and took effect on May 22, 2024.

## State Appropriations

For FY 2024-25, the bill includes an appropriation of \$250,000 from the Severance Tax Operational Fund to the Department of Agriculture.

## State and Local Government Contacts

Joint Budget Committee

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).