



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 24-0966	Date:	April 25, 2024
Prime Sponsors:	Rep. Bird; Taggart Sen. Zenzinger; Kirkmeyer	Bill Status:	House Appropriations
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Bill Topic: **REFINANCE FEDERAL CORONAVIRUS RECOVERY FUNDS**

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill refinances various programs that received federal funding as a result of the COVID-19 pandemic. It makes various state transfers and appropriations to expedite spending of American Rescue Plan Act (ARPA) money before relevant federal deadlines, and free up General Fund for other uses.

Appropriation Summary: The bill requires appropriation adjustments for in the current FY 2023-24 and FY 2024-25. See State Appropriations and Transfers ("Swaps") section.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Joint Budget Committee.

Table 1¹
State Fiscal Impacts Under HB 24-1466

	Current Year FY 2023-24	Budget Year FY 2024-25
Steps for Refinancing ARPA Funds		
1 – Transfer Unspent ARPA Money		
Transfer from Various ARPA Recipient Funds	(\$1,605,182,048)	-
Transfer to ARPA Refinance State Money Cash Fund	\$1,605,182,048	-
2 – Refinance Personal Services Expenditures Over Two Years		
General Fund Expenditures	(\$1,018,000,000)	(\$587,182,048)
ARPA Refinance State Money Cash Fund Expenditures	\$1,018,000,000	\$587,182,048
3 – Appropriations and Transfer General Fund Savings for Program Spending		
Transfer From General Fund	(\$1,394,623,617)	-
Transfer to Various ARPA Recipient Funds	\$1,394,623,617	-
Net Change in Available General Fund (net of 2 and 3 above)	(\$376,623,617)	\$587,182,048
Two-Year Change²		\$210,558,431

¹ Amounts in Table 1 are inclusive of certain amounts that are also adjusted in HB 24-1465.

² The two-year change in General Fund made available as a result of this bill has been accounted by the Joint Budget Committee in its budget balancing.

Summary of Legislation

The state received money from the Federal Coronavirus State Fiscal Recovery Fund pursuant to the American Rescue Plan Act of 2021 (ARPA money). ARPA money was deposited into the American Rescue Plan Act of 2021 Cash Fund (ARPA Cash Fund) and then transferred to various cash funds (recipient funds) and appropriated for various programs for use of several years. This bill “swaps” money between various ARPA funds and the General Fund. The bill works in tandem with [House Bill 24-1465](#). Additional detail on these bills can be found in this [Joint Budget Committee Staff memo](#).

Transfers. The bill requires the State Treasurer to transfer:

- specified amounts of ARPA money from recipient funds at the close of FY 2023-24 to the ARPA Cash Fund, totaling \$1.6 billion; and
- \$1.4 billion from the General Fund to the newly created ARPA Refinance State Money Cash Fund on July 1, 2024, which goes back to these various recipient funds.

Refinance of personal services. The bill requires the General Assembly to refinance personal services expenses paid with General Fund by using ARPA funds instead in FY 2023-24 and FY 2024-25, freeing up General Fund to spend on programs funded with ARPA money.

Appropriations and transfers (“swaps”). The bill makes appropriations and transfers totaling \$1.4 billion to programs originally funded with ARPA money, using General Fund freed up from the refinance of personal services.

Use of unspent ARPA funds. On December 1, 2024, any unspent and unobligated money that originated from ARPA funds, other than money designated for personal services or operating costs, reverts to the ARPA Cash Fund. The reverted money is continuously appropriated until January 31, 2025 to any department designated by the Governor for any purpose that was funded with General Fund in the FY 2024-25 Long Bill.

After December 31, 2024, any ARPA funds in a recipient fund that were obligated as of December 31, 2024, but not expended on an eligible activity at the conclusion of the fiscal year for which the appropriation was authorized, reverts to the ARPA Cash Fund. The reverted money is continuously appropriated through December 31, 2026, to any department designated by the Governor for any purpose for which a General Fund appropriation was made in the Long Bill for the state fiscal year in which the reversion occurred.

Any federal funding spent by the Governor drives an equal General Fund reversion for those funds.

The bill also repeals the requirement for a subrecipient to obligate ARPA money by November 30, 2024.

State Controller duties and reporting. The bill authorizes the State Controller in the Department of Personnel and Administration (DPA) to take certain measures to implement the bill and ensure that ARPA money is expended within the time allowed by federal law. The Governor and the State Controller shall jointly submit a report to the Joint Budget Committee and legislative leadership about the transfers in the bill and about spending ARPA money.

Other provisions and clarifications. The bill makes changes to various programs related to refinancing ARPA money, including clarifying spending and obligation deadlines for program money that is not ARPA money and exempting the use of state money from requirements for capital construction projects that use federal money.

State Transfers

The bill, in concert with House Bill 24-1465, makes the following transfers from various cash funds into the ARPA Cash Fund in the current FY 2023-24, totaling \$1.6 billion. It then transfers \$1.4 billion from the General Fund to these various recipient funds in FY 2024-25. The difference between these two transfers reflects the amount remaining unallocated by the General Assembly, totaling \$125 million, changes in program spending for the various programs originally funded with ARPA money made in HB 24-1465, and \$12 million in funds reverted from various programs that have already concluded spending.

**Table 2
Transfers Under HB 24-1466**

Recipient Fund	Transfer from Recipient Fund to ARPA Cash Fund*	Transfer from General Fund to Recipient Fund	Difference
Affordable Housing and Home Ownership Cash Fund *	\$70,582	-	\$70,582
American Rescue Plan Act of 2021 Cash Fund *	\$249,344,084	\$248,244,084	\$1,100,000
Behavioral and Mental Health Cash Fund *	\$268,744,343	\$212,881,576	\$55,862,767
Broadband Administrative Fund	\$14,500,000	\$14,500,000	-
Colorado Economic Development Fund	\$7,134,282	\$7,134,282	-
Colorado Heritage Communities Fund	\$10,368,159	\$10,368,159	-
Colorado Opportunity Scholarship Initiative Fund *	\$21,545,307	\$11,545,307	\$10,000,000
Colorado Water Conservation Board Const. Fund	\$7,000,000	\$7,000,000	-
Connect. Co. Exp. Homelessness with Services Fund	\$90,980,000	\$90,980,000	-
Digital Inclusion Grant Program Fund	\$11,002,529	\$11,002,529	-
Economic Recovery and Relief Cash Fund *	\$135,875,549	\$129,293,242	\$6,582,307
Healthy Forests and Vibrant Communities Fund	\$3,000,000	\$3,000,000	-
Housing Development Grant Fund	\$20,000	\$20,000	-
Infra. and Strong Communities Grant Program Fund	\$29,209,576	\$29,209,576	-
Judicial Dep't Information Technology Cash Fund	\$17,000,000	\$17,000,000	-
Local Invest. in Transformational Aff. Housing Fund	\$125,600,000	\$125,600,000	-
Multimodal Trans. and Mitigation Options Fund	\$96,160,000	\$96,160,000	-
Regional Navigation Campus Cash Fund	\$49,652,936	\$49,652,936	-
Regional Talent Dev. Initiative Grant Program Fund	\$68,730,000	\$68,730,000	-
Revenue Loss Restoration Cash Fund *	\$299,362,303	\$163,541,565	\$135,820,738
Rural Provider Access and Affordability Fund	\$2,300,000	\$2,300,000	-
State Highway Fund	\$75,330,000	\$75,330,000	-
Wildfire Mitigation Capacity Development Fund	\$40,000	\$40,000	-
Workers, Employers, and Workforce Cash Fund *	\$22,212,399	\$21,090,361	\$1,122,038
Total	\$1,605,182,048	\$1,394,623,617	\$210,558,431

* Some of these amounts are also accounted for in HB 24-1465, which this bill is conditional upon taking effect.

State Expenditures

The bill refinances General Fund spending on personal services using ARPA Cash Funds in FY 2023-24 and FY 2024-25. The amounts spent from the ARPA Cash Funds are shown in Table 3, and are equal to the amount transferred to the fund, as shown in Table 2. This will increase APRA Cash Fund spending by \$1.6 billion over two years, and reduce General Fund expenditures by the same amount.

**Table 3
 Expenditures Under HB 24-1466**

Department	FY 2023-24 11-Month GF Refinance	FY 2024-25 5-Month GF Refinance	Two-Year Total
Department of Corrections	\$495,000,000	\$324,000,000	\$819,000,000
Department of Human Services	\$214,000,000	\$63,182,048	\$277,182,048
Judicial Department	\$309,000,000	\$200,000,000	\$509,000,000
Total	\$1,018,000,000	\$587,182,048	\$1,605,182,048

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that sections 52 to 65 and section 81 only take effect if House Bill 24-1465 becomes law.

State Appropriations and Transfers (“Swaps”)

The bill makes the following adjustments to appropriations made in prior year bills as listed in Table 4 below. In some cases, these are statutory transfers. “Swaps” are paid using General Fund revenue transferred to the recipient funds as shown in Table 2 above.

**Table 4
 State Appropriations Adjustments Under HB 24-1466**

Bill	Section	Appropriation
HB21-1264	Section 19 (2) Total	\$15,651,351
	Section 19 (3) Total	\$2,880,000
	Section 19 (4)(a) Total	\$2,559,010
HB21-1271	Section 12 (1) Total	\$9,861,200
	Section 12 (2) Total	\$506,959
HB21-1289	Section 15 (1) Total	\$11,002,529
	Section 15 (2) Total	\$15,330,000
HB21-1330	Section 16 (1) Total	\$10,463,439
	Section 16 (2) Total	\$1,081,868
HB22-1220	Section 9 (2)(a) Total	\$7,700,000
HB22-1243	Section 4 (3) Total	\$1,243,963
HB22-1259	Section 14 Total	\$400,000
HB22-1281	Section 4 (1)(a) Total	\$32,200,000
	Section 4 (1)(b) Total	\$6,100,000

Table 4
State Appropriations Adjustments Under HB 24-1466 (Cont.)

Bill	Section	Appropriation
HB22-1283	Section 10 Total	\$30,236,662
	Section 8 (1)(a) Total	\$2,900,000
	Section 9 Total	\$431,457
HB22-1302	Section 6 (1) Total	\$19,231,546
	Section 6 (2) Total	\$1,754,853
HB22-1303	Section 4 (1)(a) Total	\$372,264
	Section 4 (1)(b) Total	\$346,040
	Section 4 (1)(c) Total	\$9,992
	Section 5 (1)(a) Total	\$1,491,061
	Section 5 (1)(c) Total	\$5,485,761
	Section 7 Total	\$4,857,586
HB22-1304	Section 2 (4)(c) and Section 5 (6) Total	\$154,809,576
HB22-1326	Section 56 (10) Total	\$7,459,000
	Section 56 (11) Total	\$4,439,519
HB22-1329	Cap Const. PART I Section (1)(A) Total	\$1,275,425
	Cap Const. PART I Section (1)(B) Total	\$3,346,671
	Cap Const. PART I Section (1)(C) Total	\$110,000
	Cap Const. PART I Section (1)(D) Total	\$1,315,802
	Cap Const. PART I Section (1)(E) Total	\$829,453
	Cap Const. PART I Section (1)(F) Total	\$12,316,617
	Cap Const. PART I Section (1)(G) Total	\$653,140
	Cap Const. PART I Section (1)(H) Total	\$589,312
	Cap Const. PART I Section (1)(I) Total	\$2,695,489
	Cap Const. PART I Section (1)(J) Total	\$534,862
	Cap Const. PART I Section (2)(A) Total	\$2,206,619
	Cap Const. PART I Section (2)(B) Total	\$668,864
	Cap Const. PART I Section (2)(C) Total	\$2,357,684
	Cap Const. PART I Section (2)(D) Total	\$949,753
	Cap Const. PART I Section (2)(E) Total	\$809,100
	Cap Const. PART I Section (2)(F) Total	\$1,969,340
	Cap Const. PART I Section (2)(G) Total	\$1,457,695
	Cap Const. PART I Section (2)(H) Total	\$1,870,000
	Cap Const. PART I Section (2)(I) Total	\$1,453,992
	Cap Const. PART I Section (2)(J) Total	\$694,207
	Cap Const. PART I Section (2)(K) Total	\$1,282,689
Cap Const. PART I Section (2)(L) Total	\$254,302	
Cap Const. PART I Section (2)(M) Total	\$739,020	
Cap Const. PART I Section (2)(N) Total	\$1,104,453	
Cap Const. PART I Section (2)(O) Total	\$754,350	
Cap Const. PART I Section (2)(P) Total	\$2,501,384	
Cap Const. PART I Section (2)(Q) Total	\$1,624,790	

**Table 4
State Appropriations Adjustments Under HB 24-1466 (Cont.)**

Bill	Section	Appropriation
HB22-1329 (cont.)	Cap Const. PART I Section (2)(R) Total	\$2,580
	Cap Const. PART I Section (2)(S) Total	\$1,730,739
	Cap Const. PART I Section (2)(T) Total	\$1,128,906
	Cap Const. PART I Section (2)(U) Total	\$1,022,757
	Cap Const. PART I Section (2)(V) Total	\$2,683,008
	Cap Const. PART I Section (2)(W) Total	\$258,552
	Cap Const. PART II Section (1)(A) Total	\$5,108,877
	Cap Const. PART II Section (1)(B) Total	\$14,908,530
	Cap Const. PART II Section (1)(C) Total	\$123,446
	Cap Const. PART II Section (1)(E) Total	\$51,145,998
	Cap Const. PART III Section (2)(D) Total	\$6,750,000
HB22-1335	Section 3 (3.5) Total	\$17,000,000
HB22-1350	24-48.5-406 (1)(a)(I) Total	\$68,730,000
HB22-1356	Section 2 Total	\$7,160,000
HB22-1369	Section 2 Total	\$1,500,000
HB22-1377	Section 2 (5)(d) Total	\$90,980,000
HB22-1378	Section 2 (7) Total	\$49,652,936
HB22-1379	Section 1(a)(I) and (II) Total	\$3,040,000
	Section 1(a)(III) through (V) Total	\$7,000,000
HB22-1380	Section 6 (1) Total	\$400,000
	Section 6 (2) Total	\$1,814,616
	Section 6 (3) Total	\$810,000
	Section 6 (4) Total	\$1,000,000
	Section 6 (5) Total	\$4,090,500
HB22-1386	Section 6 (2) Total	\$334,200
HB22-1411	Section 1 (4)(a) Total	\$70,000,000
SB21-242	Section 2 (g)(I) Total	\$20,000
SB21-260	Section 7(7)(a)(I) Total	\$75,330,000
	Section 55 (1)(c) & (1.5) and Section 7(7)(a)(II) Total	\$96,160,000
SB21-288	Section 1 (4)(a) Total	\$155,320,345
	Unallocated SLFRF	\$22,923,739
SB21-291	Section 2 Total	\$7,134,282
SB22-028	Section 3 (1) Total	\$500,000
SB22-147	Section 5 (1) Total	\$4,414,069
	Section 5 (2) Total	\$3,516,581
	Section 5 (3) Total	\$665,486
SB22-148	Section 3 Total	\$1,500,000
SB22-177	Section 3 Total	\$10,500,000
SB22-181	Section 6 (1)(b) Total	\$3,048,890
	Section 6 (1)(c) Total	\$2,063,133
	Section 6 (1)(d) Total	\$3,000,000

**Table 4
 State Appropriations Adjustments Under HB 24-1466 (Cont.)**

Bill	Section	Appropriation
SB22-181 (cont.)	Section 6 (1)(e) Total	\$1,928,337
	Section 6 (1)(f) Total	\$4,376,616
	Section 6 (1)(g) Total	\$2,428,337
	Section 6 (1)(h) Total	\$2,928,337
	Section 6 (1)(i) Total	\$1,428,337
	Section 7 Total	\$7,116,823
	Section 8 (1)(a) Total	\$63,018
	Section 8 (1)(b) Total	\$13,206,278
SB22-196	Section 12 (1)(a) Total	\$449,688
	Section 12 (1)(b) Total	\$24,063,797
	Section 12 (2) Total	\$1,300,000
	Section 12 (3)(a) Total	\$141,563
	Section 12 (3)(b) Total	\$1,547,728
	Section 12 (3)(c) Total	\$1,746,528
	Section 12 (5) Total	\$2,554,126
SB22-200	Section 2 (7)(a) and (b) Total	\$2,300,000
SB22-211	Section 4 (1) Total	\$44,090,000
SB22-213	Section 8 (1)(a) Total	\$6,100,000
	Section 8 (1)(b) Total	\$6,400,000
	Section 8 (1)(c) Total	\$14,247,910
	Section 8 (1)(d) Total	\$6,720,000
	Section 8 (1)(e) Total	\$567,641
SB22-226	Section 12 (1)(a) Total	\$257,775
	Section 12 (1)(b) Total	\$5,685,000
	Section 12 (1)(c) Total	\$15,019,800
	Section 12 (2) Total	\$4,000,000
SB23-214	Cap Const. PART I Section (2)(F) Total	\$2,440,000
	Cap Const. PART I Section (2)(G) Total	\$7,297,883
	Cap Const. PART I Section (2)(H) Total	\$1,366,889
	Cap Const. PART I Section (2)(L) Total	\$1,028,925
	Cap Const. PART I Section (2)(T) Total	\$5,628,388
	Cap Const. PART I Section (2)(U) Total	\$1,376,321
	Cap Const. PART I Section (2)(V) Total	\$7,158,534
	Cap Const. PART I Section (2)(W) Total	\$4,206,565
	Department Section of LB Total	\$1,809,654
Total		\$1,394,623,617

State and Local Government Contacts

Joint Budget Committee Staff

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](#).