

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE CLASSIFICATION OF CERTAIN COLLECTIONS AS COLLECTIONS FOR ANOTHER GOVERNMENT FOR PURPOSES OF CALCULATING STATE FISCAL YEAR SPENDING PURSUANT TO SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

Prime Sponsors: Reps. Bird and Sirota
Sens. Zenzinger and Bridges

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Appropriation Items of Note

Appropriation Not Required, Amendment in Packet

General Fund/TABOR 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 05/01/24.

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
L.001	Bill Sponsor amendment - does not change fiscal impact

Current Appropriations Clause in Bill

The bill neither requires nor contains an appropriation clause for FY 2024-25.

Description of Amendments in This Packet

L.001 Bill Sponsor amendment **L.001** (attached) makes technical changes to clarify the criteria to be considered "collections for another government" under the bill.

Points to Consider*TABOR/ Excess State Revenues Impact*

The March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast projects a TABOR surplus liability of \$1.3 billion for FY 2024-25 and \$1.8 billion for FY 2025-26 to be refunded to taxpayers out of the General Fund. Legislation that increases non-exempt revenue (such as cash funds) will increase the TABOR refund from the General Fund. By adjusting the definition of "collections for another government" (which are exempt under TABOR), this bill reclassifies specific non-exempt revenues that are distributed to local governments as exempt from TABOR and therefore decreases TABOR refunds from the General Fund.

The Joint Budget Committee (JBC) has proposed a budget package for FY 2024-25 based on the March 2024 Office of State Planning and Budgeting (OSPB) revenue forecast. The JBC has included as part of its FY 2024-25 budget package an assumption that this bill will make an additional \$62.6 million General Fund available for appropriation or transfer for FY 2024-25, including the reclassification of \$31.1 million from FY 2023-24 revenues and \$31.5 million from FY 2024-25 revenues.

As reflected in the footnote at the bottom of page 2 of the Fiscal Note, Legislative Council Staff estimates that under the OSPB forecast the bill will make a total of \$75.3 million General Fund available for FY 2024-25 (by reclassifying \$37.4 million from FY 2023-24 and \$38.0 million from FY 2024-25). That total represents an increase of \$12.7 million above the amount assumed in the budget package.